

TOWN OF VIDALIA, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
AS OF JUNE 30, 2012
AND FOR THE YEAR THEN ENDED
WITH
INDEPENDENT AUDITOR'S REPORT



SILAS SIMMONS LLP
CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

TOWN OF VIDALIA, LOUISIANA

**Annual Financial Statements
As of and for the Year Ended June 30, 2012
With Supplemental Information Schedules**

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INDEPENDENT AUDITOR'S REPORT

The Honorable Hiram Copeland, Mayor
and Members of the Board of Aldermen
Town of Vidalia
Vidalia, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Vidalia, Louisiana, as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Vidalia, Louisiana as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2013, on our consideration of the Town of Vidalia, Louisiana's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 40 through 42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Vidalia, Louisiana's financial statements as a whole. The combining and individual fund financial statements and schedules described in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements, schedules, and Schedule of Federal Expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended for the information of the Mayor, Members of the Board of Aldermen, Management of Town of Vidalia, Louisiana, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silas Simmons, LLP

Natchez, Mississippi
March 15, 2013

REQUIRED SUPPLEMENTAL INFORMATION (Part I)

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

The Management of the Town of Vidalia, Louisiana offers readers of the Town of Vidalia, Louisiana's (Town) financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2012. This management's discussion and analysis (MD&A) is designed to provide an objective analysis of the Town's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of Town finances. It is also intended to provide readers with an analysis of the Town's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Town. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Town's financial activity, identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

Overview of the Financial Statements

This section is intended to serve as an introduction to the Town's financial statements. The Town's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed to provide readers with a concise "entity-wide" Statement of Net Assets and Statement of Activities, which seek to give the user of the financial statements a broad overview of the Town's financial position and results of operations in a manner similar to private sector businesses.

The statement of net assets presents information on all of the Town's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. The difference between the two is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or weakening.

The statement of activities presents information which shows how the government's net assets changed during this fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes).

Each of these reports is broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines, and intergovernmental revenues, for example, the police and fire departments. Business-type activities are functions that are intended to support their costs through charges for services or fees such as the gas, electric, water, and sewer departments.

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Government-Wide Financial Analysis

As noted earlier, net assets may, over time, serve as a useful indicator of a government's financial position. At the close of the most recent fiscal year, the Town's assets exceeded its liabilities by \$45,937,906 (net assets); this represents an increase of \$445,998 from last fiscal year and a prior period adjustment of (\$494,109). Of this total net asset amount, \$5,118,908 is unrestricted net assets. The Town's net assets are comprised of \$27,622,988 from governmental activities and \$18,314,918 from business-type Activities.

The following is a condensed statement of the Town of Vidalia's net assets as of June 30, 2012 and 2011:

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets						
Current and other assets	\$ 10,531,661	\$ 14,133,355	\$ 1,694,983	\$ 2,468,009	\$ 12,226,644	\$ 16,601,364
Capital assets (net)	<u>29,157,717</u>	<u>24,026,663</u>	<u>18,739,768</u>	<u>18,238,968</u>	<u>47,897,485</u>	<u>42,265,631</u>
Total	<u>\$ 39,689,378</u>	<u>\$ 38,160,018</u>	<u>\$ 20,434,751</u>	<u>\$ 20,706,977</u>	<u>\$ 60,124,129</u>	<u>\$ 58,866,995</u>
Liabilities						
Other liabilities	\$ 9,238,390	\$ 7,317,045	\$ 2,119,833	\$ 2,330,933	\$ 11,358,223	\$ 9,647,978
Long-term liabilities	<u>2,828,000</u>	<u>3,233,000</u>	<u>-</u>	<u>-</u>	<u>2,828,000</u>	<u>3,233,000</u>
Total liabilities	<u>\$ 12,066,390</u>	<u>\$ 10,550,045</u>	<u>\$ 2,119,833</u>	<u>\$ 2,330,933</u>	<u>\$ 14,186,223</u>	<u>\$ 12,880,978</u>
Net Assets						
Invested in capital assets	\$ 29,157,717	\$ 24,026,663	\$ 18,739,768	\$ 18,238,968	\$ 47,897,485	\$ 42,265,631
Less related debt	<u>(9,990,446)</u>	<u>(7,094,291)</u>	<u>-</u>	<u>-</u>	<u>(9,990,446)</u>	<u>(7,094,291)</u>
Net of related debt	<u>\$ 19,167,271</u>	<u>\$ 16,932,372</u>	<u>\$ 18,739,768</u>	<u>\$ 18,238,968</u>	<u>\$ 37,907,039</u>	<u>\$ 35,171,340</u>
Restricted	2,911,959	2,611,292	-	-	2,911,959	2,611,292
Unrestricted	<u>5,543,758</u>	<u>8,066,309</u>	<u>(424,850)</u>	<u>137,076</u>	<u>5,118,908</u>	<u>8,203,385</u>
Total net assets	<u>\$ 27,622,988</u>	<u>\$ 27,609,973</u>	<u>\$ 18,314,918</u>	<u>\$ 18,376,044</u>	<u>\$ 45,937,906</u>	<u>\$ 45,986,017</u>

By far, the largest portion of the Town's net assets (\$37,907,039 or 83%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, Town infrastructure, etc.) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net assets (\$2,911,959) represents resources that are subject to external restrictions on how they may be used. The remaining balance (\$5,118,908) is unrestricted net assets which may be used to meet the government's on-going obligations to citizens and creditors subject to certain conditions as set forth in Note 15 on page 37 of this report.

The Town has total outstanding debt of \$9,990,446, which was used to finance some of the \$47,897,485 capital assets. (For more detailed information on the Town's debt and capital assets, see Pages 30 through 33.) Total liabilities of \$14,186,223 are equal to 24% of the total assets.

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Government-Wide Financial Analysis (continued)

The Town's governmental activities increased net assets by \$445,183. This increase is mainly due to increased capital grants in the amount of \$839,235.

Governmental Activities

The governmental activities of the Town include general government, public safety, public works, economic development, and payment of interest on long-term debt. Revenues and expenditures related to the Town's involvement in the S. A. Murray Hydro Electric Station are also included in governmental activities. In that revenues normally associated with municipal operations, (e.g. sales tax, property tax, franchise fees, license fees, sanitation fees, permits, fines, and operating grants) are insufficient for the funding of these activities, the Town has relied on transfers of excess revenue from its enterprise funds to cover the cost of all activities other than economic development. In that the enterprise fund generated no excess revenue during the fiscal year just ending, these activities were totally funded from net revenues of the hydro royalty fund. Economic development activities in the majority are funded by capital grants and contributions.

The following is a summary of the statement of activities:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenue						
Program revenue	\$ 4,570,587	\$ 4,169,989	\$ 10,807,475	\$ 11,877,516	\$ 15,378,062	\$ 16,047,505
General revenue and transfers	<u>16,854,051</u>	<u>15,498,026</u>	<u>694,364</u>	<u>2,004,599</u>	<u>17,548,415</u>	<u>17,502,625</u>
Total revenue and transfers	\$ <u>21,424,638</u>	\$ <u>19,668,015</u>	\$ <u>11,501,839</u>	\$ <u>13,882,115</u>	\$ <u>32,926,477</u>	\$ <u>33,550,130</u>
Expenses						
General and administrative	\$ 13,408,983	\$ 14,214,315	\$ -	\$ -	\$ 13,408,983	\$ 14,214,315
Public safety	4,318,380	3,960,924	-	-	4,318,380	3,960,924
Public works	2,489,467	2,586,857	-	-	2,489,467	2,586,857
Economic development	628,554	169,342	-	-	628,554	169,342
Housing	-	291,092	-	-	-	291,092
Combined utility	-	-	9,479,369	10,793,510	9,479,369	10,793,510
Convention Center	-	-	2,021,655	2,815,384	2,021,655	2,815,384
Interest on long-term debt	<u>134,071</u>	<u>150,450</u>	<u>-</u>	<u>-</u>	<u>134,071</u>	<u>150,450</u>
Total expenses	\$ <u>20,979,455</u>	\$ <u>21,372,980</u>	\$ <u>11,501,024</u>	\$ <u>13,608,894</u>	\$ <u>32,480,479</u>	\$ <u>34,981,874</u>
Change in net assets	\$ <u>445,183</u>	\$ <u>(1,704,965)</u>	\$ <u>815</u>	\$ <u>273,221</u>	\$ <u>445,998</u>	\$ <u>(1,431,744)</u>
Net assets, beginning	\$ <u>27,609,973</u>	\$ <u>29,247,264</u>	\$ <u>18,376,044</u>	\$ <u>18,096,498</u>	\$ <u>45,986,017</u>	\$ <u>47,343,762</u>
Prior period adjustment	<u>(432,168)</u>	<u>67,674</u>	<u>(61,941)</u>	<u>6,325</u>	<u>(494,109)</u>	<u>73,999</u>
Net assets, beginning, as restated	\$ <u>27,177,805</u>	\$ <u>29,314,938</u>	\$ <u>18,314,103</u>	\$ <u>18,102,823</u>	\$ <u>45,491,908</u>	\$ <u>47,417,761</u>
Net assets, ending	\$ <u>27,622,988</u>	\$ <u>27,609,973</u>	\$ <u>18,314,918</u>	\$ <u>18,376,044</u>	\$ <u>45,937,906</u>	\$ <u>45,986,017</u>

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Business-Type Activities

The business-type activities of the Town are those that charge a fee to customers for the services provided. The Town has two business-type activities which are accounted for as enterprise funds. The Town uses enterprise funds to account for the revenues and expenses related to the provision of gas, electric, water, and sewer services (combined utility fund), and for rental of the Bryant Hammett Conference and Convention Center (Riverfront Development Fund).

The following is a summary of the Utility Fund (business-type activity) of the Town:

	Operating Revenues Net of Purchases and Sales Tax					
	Gas	Electric	Water	Sewer	Office	Total Utility
Fiscal year ended June 30, 2011	\$ 588,578	\$ 2,426,700	\$ 541,703	\$ 510,053	\$ -	\$ 4,067,034
Fiscal year ended June 30, 2012	<u>541,119</u>	<u>2,778,371</u>	<u>571,576</u>	<u>496,258</u>	<u>-</u>	<u>4,387,324</u>
Increase (decrease) between years	<u>\$ (47,459)</u>	<u>\$ 351,671</u>	<u>\$ 29,873</u>	<u>\$ (13,795)</u>	<u>\$ -</u>	<u>\$ 320,290</u>

	Operating Expenses					
	Gas	Electric	Water	Sewer	Office	Total Utility
Fiscal year ended June 30, 2011	\$ 224,140	\$ 2,286,257	\$ 1,145,394	\$ 533,718	\$ 559,663	\$ 4,749,172
Fiscal year ended June 30, 2012	<u>233,492</u>	<u>2,079,595</u>	<u>911,473</u>	<u>301,645</u>	<u>547,979</u>	<u>4,074,184</u>
Increase (decrease) between years	<u>\$ 9,352</u>	<u>\$ (206,662)</u>	<u>\$ (233,921)</u>	<u>\$ (232,073)</u>	<u>\$ (11,684)</u>	<u>\$ (674,988)</u>

	Net Income (Loss) From Operations					
	Gas	Electric	Water	Sewer	Office	Total Utility
Fiscal year ended June 30, 2011	\$ 364,438	\$ 140,443	\$ (603,691)	\$ (23,665)	\$ (559,663)	\$ (682,138)
Fiscal year ended June 30, 2012	<u>307,627</u>	<u>698,776</u>	<u>(339,897)</u>	<u>194,613</u>	<u>(547,979)</u>	<u>313,140</u>
Increase (decrease) between years	<u>\$ (56,811)</u>	<u>\$ 558,333</u>	<u>\$ 263,794</u>	<u>\$ 218,278</u>	<u>\$ 11,684</u>	<u>\$ 995,278</u>

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Business-Type Activities (continued)

The reasons for major fluctuations noted above are as follows:

Gross revenues of the utility fund decreased from \$10,111,372 in the previous fiscal year to \$9,792,509 in the fiscal year ended June 30, 2012. Net operating income was \$313,140 for the current fiscal year compared to a loss of \$682,138 in the previous fiscal year.

Net income from operations increased \$995,278 from (\$682,138) in the previous year to \$313,140 in the current year. The primary reason for this increase was due to federal sewer grant in the amount of \$421,365. The cost of electric power decreased from \$2,286,257 in fiscal year 2011, to \$2,079,595 in the current fiscal year while the demand for electric services increased from \$2,426,700 in fiscal year 2011, to \$2,778,371 in the current fiscal year.

The Town's utility fund generates net revenues used for general fund support. In the past five fiscal years the utility fund has sustained total net losses of \$2,096,460, therefore, the Town has relied on net revenues of the hydro electric fund to replace those previously supplied by the combined utility fund for the support of general fund operations.

Fund Financial Statements - Governmental Funds

The fund financial statements provide more detailed information about the Town's most significant funds - not the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for a particular purpose.

The Town maintains four individual governmental fund types. These fund types are general, special revenue, debt service, and capital projects funds. Information is presented separately in the governmental funds balance sheet (Statement C) and in the governmental fund statement of revenues, expenditures, and changes in fund balances (Statement E) for the general fund, municipal complex fund and hydro royalty fund, which are considered to be major funds. Transactions of the remaining governmental funds are combined and shown as other governmental funds on these statements. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining and individual financial statements in the supplemental information portion of this report, beginning on Page 43.

The Town adopts an annual budget for its governmental funds. A statement of revenues, expenditures, and changes in fund balance for the general fund is presented in the required supplemental information (Part II) which compares actual revenues and expenditures to the original budget and amended budget figures. Budgeted amounts for the remainder of the governmental funds are presented in the individual fund statements.

Financial Analysis of the Town's Governmental Funds

The Town of Vidalia's governmental funds reported combined ending fund balances of \$8,349,435, which is a decrease of \$2,343,647. This decrease was primarily caused by a decrease in fund balance of \$2,841,502 in the sales tax fund and a decrease of \$332,300 in the hydro royalty fund.

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Fund Financial Statements - Governmental Funds (continued)

Governmental Funds - Summary of Financial Data:

	Revenue and Transfers In				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Fiscal year ended June 30, 2011	\$ 6,678,098	\$ 19,925,781	\$ 493,458	\$ 4,354,392	\$ 31,451,729
Fiscal year ended June 30, 2012	<u>9,066,326</u>	<u>19,566,091</u>	<u>566,201</u>	<u>6,198,285</u>	<u>35,396,903</u>
Increase (decrease) between years	<u>\$ 2,388,228</u>	<u>\$ (359,690)</u>	<u>\$ 72,743</u>	<u>\$ 1,843,893</u>	<u>\$ 3,945,174</u>
	Expenditures and Transfers Out				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Fiscal year ended June 30, 2011	\$ 7,712,095	\$ 20,765,997	\$ 520,720	\$ 4,476,508	\$ 33,475,320
Fiscal year ended June 30, 2012	<u>8,191,111</u>	<u>22,514,605</u>	<u>519,853</u>	<u>6,082,813</u>	<u>37,308,382</u>
Increase (decrease) between years	<u>\$ 479,016</u>	<u>\$ 1,748,608</u>	<u>\$ (867)</u>	<u>\$ 1,606,305</u>	<u>\$ 3,833,062</u>
	Changes in Fund Balance				
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Fiscal year ended June 30, 2011	\$ (1,033,997)	\$ (840,216)	\$ (27,262)	\$ (122,116)	\$ (2,023,591)
Fiscal year ended June 30, 2012	<u>875,215</u>	<u>(2,948,514)</u>	<u>46,348</u>	<u>115,472</u>	<u>(1,911,479)</u>
Increase (decrease) between years	<u>\$ 1,909,212</u>	<u>\$ (2,108,298)</u>	<u>\$ 73,610</u>	<u>\$ 237,588</u>	<u>\$ 112,112</u>

Fund Financial Statements - Proprietary Funds

The Town maintains two proprietary funds. Proprietary funds are used to report the same functions as business-type activities. The Town uses enterprise funds (the first type of proprietary fund) to account for its combined gas, electric, water, and sewer operations and a second enterprise fund to account for the operations of the Bryant Hammett Conference and Convention Center. These enterprise funds report the same functions presented as business-type activities in the government-wide financial statements.

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2012

Fund Financial Statements - Proprietary Funds (continued)

Financial Analysis of the Town's Proprietary Funds

The Town's utility operation proprietary fund shows a decrease in ending fund balance of \$216,308. The 2012 operating income of the gas department of \$307,627 represents a \$56,811 decrease from fiscal year 2011. The fiscal year 2012 operating loss of the water and sewer departments of \$145,284 represents a decrease in loss of \$482,072 from fiscal year 2011. The electric department generated an operating income of \$698,776 which represents an increase from fiscal year 2011 of \$558,333. The results of operations for fiscal 2012 were driven by a decrease in utility rates and a corresponding rise in consumption.

The Town's riverfront development fund's addition to the business-type activities resulted in an increase of fund balance in the amount of \$217,123.

In that financial statements of enterprise funds are presented on the same basis of accounting as in both the government-wide financial statements and the individual fund statements, all comments and analysis made under business-type activities apply to these funds.

Capital Asset and Debt Administration

The total investment in net capital assets as of June 30, 2012, is \$47,897,485, as compared to \$42,265,631 as of the end of the previous fiscal year.

The major capital assets additions during the fiscal year 2012 were the following: Polk Park improvements of \$471,196, Port Access Fund improvements of \$1,154,831 and Roadway Fund improvements of \$1,096,536. During the current fiscal year, \$553,000 of construction projects were completed.

In addition to the above, the Town has construction in progress totaling \$12,905,502 as of June 30, 2012. This construction is a continuation of the riverfront development of \$3,009,672, a riverfront boat launch of \$227,101, sewer rehabilitation of \$402,778, port access improvements of \$1,154,831, a roadway improvement project consisted of \$1,096,536, and a municipal complex of \$7,014,584.

At the end of the current fiscal year, the Town had a total outstanding bonded debt of \$3,233,000. Principal payments of \$405,000 are due during the upcoming fiscal year. These obligations are financed through a 1% sales tax collected within the corporate limits of Vidalia.

The Town has also obtained interim financing from a local bank to finance the construction of the new municipal complex. The balance of this short-term debt was \$6,757,446 at June 30, 2012.

Budgetary Highlights

Actual general fund revenues for the year ended June 30, 2012, were over budgeted revenues by \$107,929. Actual general fund expenditures were slightly over total budgeted expenditures by \$182,641. There was a favorable variance on transfers. The hydro royalty fund showed a net positive variance of \$1,420,700.

TOWN OF VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Current Financial Factors

The Town maintained its gas and electric rates, absorbing all increases in the cost of natural gas and electricity as well as increases in operating costs of its combined utility fund over recent fiscal years. The utility fund was unable to generate net revenues for the support of general fund activities and, therefore, net revenues from the hydro royalty fund were used for the support of both the general and utility fund activities. During the fiscal year just ended, the hydro royalty fund provided \$5,325,176 towards funding the operations of the general and utility funds compared to \$7,139,846 in the previous fiscal year. It is anticipated that rate increases and electricity cost decreases will yield additional net revenues for the upcoming fiscal year which will lessen amounts required for anticipated increases in the cost of natural gas and electricity and inability of the hydro royalty fund to provide additional support. Increases in operating costs will require increases in the fees and charges the Town collects. In the event the Town is unable to reduce its cost of operations, these increases will be substantial.

In addition to the increases noted above, in the event that the net revenues of the hydro royalty fund would decrease due to a low water, low production year, utility rates would have to be increased by as much as 27% in order to generate revenues necessary to support general fund activities, or services provided to its citizens would have to be severely cut.

Lastly, during the year, the Town successfully completed a LCDBG application in the amount of \$313,077 in federal funds for street overlays. These capital outlays are expected to occur in fiscal year 2013.

Requests for Information

This financial report is designed to provide a general overview of the Town of Vidalia, Louisiana's finances for all with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Vicki Byrnes, Town Clerk, Post Office Box 2010, Vidalia, Louisiana 71373.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWN OF VIDALIA, LOUISIANA

STATEMENT OF NET ASSETS

JUNE 30, 2012

	Governmental Activities	Business- Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 6,226,579	\$ 506,326	\$ 6,732,905
Receivables (net of allowances for uncollectibles)	298,067	1,295,007	1,593,074
Internal balances	336,272	(336,272)	-
Due from other agencies	3,309,692	-	3,309,692
Due from other governments	361,051	-	361,051
Restricted assets	-	229,922	229,922
Capital assets (net)	29,157,717	18,739,768	47,897,485
Total assets	<u>\$ 39,689,378</u>	<u>\$ 20,434,751</u>	<u>\$ 60,124,129</u>
<u>LIABILITIES</u>			
Accounts, salaries, and other payables	\$ 1,366,998	\$ 1,794,997	\$ 3,161,995
Payable from restricted assets	-	324,836	324,836
Interest payable	13,699	-	13,699
Accrued liabilities	684,300	-	684,300
Other liabilities	10,947	-	10,947
Bonds payable, due within one year	7,162,446	-	7,162,446
Bonds payable, beyond one year	2,828,000	-	2,828,000
Total liabilities	<u>\$ 12,066,390</u>	<u>\$ 2,119,833</u>	<u>\$ 14,186,223</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	\$ 19,167,271	\$ 18,739,768	\$ 37,907,039
Restricted for:			
Debt service	505,365	-	505,365
Capital projects	166,594	-	166,594
Special revenues	2,240,000	-	2,240,000
Unrestricted	5,543,758	(424,850)	5,118,908
Total net assets	<u>\$ 27,622,988</u>	<u>\$ 18,314,918</u>	<u>\$ 45,937,906</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF VIDALIA, LOUISIANA

STATEMENT B

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

		Program Revenues			Net (Expenses)/ Revenue	Net (Expenses), Revenues, and Changes		Total
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities	Business-Type Activities	
Government Activities								
General government	\$ 13,408,983	\$ 2,376,621	\$ -	\$ -	\$ (11,032,362)	\$ (11,032,362)	\$ -	\$ (11,032,362)
Public safety	4,318,380	202,837	392,543	-	(3,723,000)	(3,723,000)	-	(3,723,000)
Public works	2,489,467	398,345	-	-	(2,091,122)	(2,091,122)	-	(2,091,122)
Economic development	628,554	-	-	1,200,241	571,687	571,687	-	571,687
Housing	-	-	-	-	-	-	-	-
Interest on long-term debt	134,071	-	-	-	(134,071)	(134,071)	-	(134,071)
Total governmental activities	\$ 20,979,455	\$ 2,977,803	\$ 392,543	\$ 1,200,241	\$ (16,408,868)	\$ (16,408,868)	\$ -	\$ (16,408,868)
Business-Type Activities								
Gas	\$ 695,466	\$ 866,099	\$ -	\$ -	\$ 170,633	\$ -	\$ 170,633	\$ 170,633
Electric	7,296,795	7,858,576	-	-	561,781	-	561,781	561,781
Water	1,048,468	571,576	-	-	(476,892)	-	(476,892)	(476,892)
Sewer	438,640	496,258	-	421,365	478,983	-	478,983	478,983
Convention Center	2,021,655	137,736	-	455,865	(1,428,054)	-	(1,428,054)	(1,428,054)
Total business-type activities	\$ 11,501,024	\$ 9,930,245	\$ -	\$ 877,230	\$ (693,549)	\$ -	\$ (693,549)	\$ (693,549)
Total	\$ 32,480,479	\$ 12,908,048	\$ 392,543	\$ 2,077,471	\$ (17,102,417)	\$ (16,408,868)	\$ (693,549)	\$ (17,102,417)
General Revenue								
Property taxes						\$ 164,181	\$ -	\$ 164,181
Sales taxes						2,687,080	-	2,687,080
Franchise taxes						27,287	-	27,287
Beer taxes						7,380	-	7,380
Occupational licenses						224,343	-	224,343
Investment earnings						22,546	1,506	24,052
Hydro royalties						14,067,501	-	14,067,501
Other general revenues						346,591	-	346,591
Transfers						(692,858)	692,858	-
Total general revenues and transfers						\$ 16,854,051	\$ 694,364	\$ 17,548,415
Change in net assets						\$ 445,183	\$ 815	\$ 445,998
Net assets - beginning						\$ 27,609,973	\$ 18,376,044	\$ 45,986,017
Prior period adjustment						(432,168)	(61,941)	(494,109)
Net assets - beginning, as restated						\$ 27,177,805	\$ 18,314,103	\$ 45,491,908
Net assets - ending						\$ 27,622,988	\$ 18,314,918	\$ 45,937,906

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

TOWN OF VIDALIA, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2012

	Major Funds			Other	Total
	General	Hydro	Municipal	Governmental	Governmental
	Fund	Royalty	Complex	Funds	Funds
		Fund	Fund		
ASSETS					
Cash	\$ 57,523	\$ 3,658,856	\$ 1,846	\$ 2,508,354	\$ 6,226,579
Receivables (net of allowances for uncollectibles)	34,571	2,640	-	260,856	298,067
Due from other agencies	-	3,304,662	-	5,030	3,309,692
Due from other governments	241,070	-	-	-	241,070
Due from other funds	336,272	-	-	510,578	846,850
Total assets	<u>\$ 669,436</u>	<u>\$ 6,966,158</u>	<u>\$ 1,846</u>	<u>\$ 3,284,818</u>	<u>\$ 10,922,258</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 753,989	\$ 423,325	\$ 14,200	\$ 175,484	\$ 1,366,998
Accrued liabilities	623,968	-	-	60,332	684,300
Due to other funds	-	-	-	510,578	510,578
Other liabilities	-	-	-	10,947	10,947
Total liabilities	<u>\$ 1,377,957</u>	<u>\$ 423,325</u>	<u>\$ 14,200</u>	<u>\$ 757,341</u>	<u>\$ 2,572,823</u>
Fund balances:					
Restricted:					
Capital projects	\$ -	\$ -	\$ (12,354)	\$ 58,967	\$ 46,613
Debt service	-	-	-	505,365	505,365
Special revenue funds	-	2,240,000	-	-	2,240,000
Unassigned, reported in:					
General Fund	(708,521)	-	-	-	(708,521)
Special revenue funds	-	4,302,833	-	1,963,145	6,265,978
Total fund balances	<u>\$ (708,521)</u>	<u>\$ 6,542,833</u>	<u>\$ (12,354)</u>	<u>\$ 2,527,477</u>	<u>\$ 8,349,435</u>
Total liabilities and fund balances	<u>\$ 669,436</u>	<u>\$ 6,966,158</u>	<u>\$ 1,846</u>	<u>\$ 3,284,818</u>	<u>\$ 10,922,258</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF VIDALIA, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2012

Fund Balances, Total Governmental Funds (Statement C)	\$ 8,349,435
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Net capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	29,157,717
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Some revenues were collected more than 60 days after year-end and therefore are not considered current financial resources for fund reporting.	119,981
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Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Accrued interest payable	\$ 13,699	
Bonds payable	<u>9,990,446</u>	<u>(10,004,145)</u>

Net Assets of Governmental Activities (Statement A)	<u>\$ 27,622,988</u>
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The accompanying notes are an integral part of this financial statement.

TOWN OF VIDALIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Major Funds			Other	Total
	General	Hydro	Municipal	Governmental	Governmental
	Fund	Royalty	Complex	Funds	Funds
	Fund	Fund	Fund		
REVENUES					
Taxes:					
Ad valorem	\$ 164,181	\$ -	\$ -	\$ -	\$ 164,181
Sales and use	-	-	-	2,687,080	2,687,080
Other taxes, penalties, interest, etc.	27,287	-	-	-	27,287
Licenses and permits	231,723	-	-	-	231,723
Intergovernmental revenues:					
Federal	216,740	-	-	983,501	1,200,241
State	344,726	-	-	47,817	392,543
Fines and forfeitures	15,776	-	-	155,202	170,978
Charges for services	398,345	2,376,621	-	31,859	2,806,825
Investment earnings	286	21,934	-	326	22,546
Hydro royalties	-	14,067,501	-	-	14,067,501
Issuance of debt	-	-	3,280,155	-	3,280,155
Other revenues	140,865	-	-	205,726	346,591
Total revenues	\$ 1,539,929	\$ 16,466,056	\$ 3,280,155	\$ 4,111,511	\$ 25,397,651
EXPENDITURES					
General government	\$ 1,940,508	\$ 11,473,180	\$ -	\$ 532,285	\$ 13,945,973
Public safety:					
Police	2,315,978	-	-	-	2,315,978
Fire	1,268,900	-	-	-	1,268,900
Ambulance	-	-	-	606,814	606,814
Public works:					
Streets	1,226,193	-	-	-	1,226,193
Sanitation	636,862	-	-	-	636,862
Mechanic shop	292,700	-	-	-	292,700
Capital outlay	-	-	3,080,437	2,722,562	5,802,999
Debt service:					
Principle	-	-	-	384,000	384,000
Interest and fiscal fees	-	-	-	135,853	135,853
Total expenditures	\$ 7,681,141	\$ 11,473,180	\$ 3,080,437	\$ 4,381,514	\$ 26,616,272
Excess of revenues (expenditures)	\$ (6,141,212)	\$ 4,992,876	\$ 199,718	\$ (270,003)	\$ (1,218,621)

-continued-

TOWN OF VIDALIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Major Funds			Other	Total
	General	Hydro	Municipal	Governmental	Governmental
	Fund	Royalty	Complex	Funds	Funds
	Fund	Fund	Fund		
<u>OTHER FINANCING</u>					
<u>SOURCES (USES)</u>					
Transfers - in	\$ 7,526,397	\$ -	\$ 36,937	\$ 2,785,395	\$ 10,348,729
Transfers - out	(509,970)	(5,325,176)	-	(5,206,441)	(11,041,587)
Total other financing sources (uses)	\$ 7,016,427	\$ (5,325,176)	\$ 36,937	\$ (2,421,046)	\$ (692,858)
Net change in fund balance	\$ 875,215	\$ (332,300)	\$ 236,655	\$ (2,691,049)	\$ (1,911,479)
Fund balances - beginning	\$ (1,151,568)	\$ 6,875,133	\$ (249,009)	\$ 5,218,526	\$ 10,693,082
Prior period adjustment	(432,168)	-	-	-	(432,168)
Fund balances - beginning, as restated	\$ (1,583,736)	\$ 6,875,133	\$ (249,009)	\$ 5,218,526	\$ 10,260,914
Fund balances - ending	\$ (708,521)	\$ 6,542,833	\$ (12,354)	\$ 2,527,477	\$ 8,349,435

The accompanying notes are an integral part of this financial statement.

TOWN OF VIDALIA, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

Net Change in Fund Balances, Total Governmental Funds (Statement E) \$ (1,911,479)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period and the cost of land sales. 5,131,054

The proceeds of long-term debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of the principal of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Issuance of debt (3,280,155)

Principal retired 384,000

Governmental funds do not record receipts beyond sixty days; however, governmental activities report these amounts as economic resources. 119,981

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount is the net effect of these differences in the treatment of interest paid on debt. 1,782

Change in Net Assets of Governmental Activities (Statement B) \$ 445,183

PROPRIETARY FUNDS

TOWN OF VIDALIA, LOUISIANA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS

JUNE 30, 2012

	Business-Type Activities		
	Utility Fund	Riverfront Development Fund	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ -	\$ 506,326	\$ 506,326
Receivables (net of allowances for uncollectibles)	1,295,007	-	1,295,007
Total current assets	<u>\$ 1,295,007</u>	<u>\$ 506,326</u>	<u>\$ 1,801,333</u>
Noncurrent assets			
Restricted assets:			
Cash	\$ 229,922	\$ -	\$ 229,922
Capital assets (net of accumulated depreciation)	12,166,834	6,572,934	18,739,768
Total noncurrent assets	<u>\$ 12,396,756</u>	<u>\$ 6,572,934</u>	<u>\$ 18,969,690</u>
Total assets	<u>\$ 13,691,763</u>	<u>\$ 7,079,260</u>	<u>\$ 20,771,023</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,386,116	\$ 74,461	\$ 1,460,577
Accrued liabilities	291,006	43,414	334,420
Due to other funds	336,272	-	336,272
Total current liabilities	<u>\$ 2,013,394</u>	<u>\$ 117,875</u>	<u>\$ 2,131,269</u>
Current liabilities payable from restricted assets			
Consumer deposits	\$ 324,836	\$ -	\$ 324,836
Total current liabilities payable from restricted assets	<u>\$ 324,836</u>	<u>\$ -</u>	<u>\$ 324,836</u>
Total liabilities	<u>\$ 2,338,230</u>	<u>\$ 117,875</u>	<u>\$ 2,456,105</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 12,166,834	\$ 6,572,934	\$ 18,739,768
Unrestricted	(813,301)	388,451	(424,850)
Total net assets	<u>\$ 11,353,533</u>	<u>\$ 6,961,385</u>	<u>\$ 18,314,918</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF VIDALIA, LOUISIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities		
	Utility Fund	Riverfront Development Fund	Total Enterprise Funds
<u>OPERATING REVENUES</u>			
Charges for services:			
Gas sales	\$ 866,099	\$ -	\$ 866,099
Electricity sales	7,858,576	-	7,858,576
Water sales	571,576	-	571,576
Sewer charges	496,258	-	496,258
Rental charges	-	131,792	131,792
Other services	-	5,944	5,944
Total operating revenues	<u>\$ 9,792,509</u>	<u>\$ 137,736</u>	<u>\$ 9,930,245</u>
<u>OPERATING EXPENSES</u>			
Purchases and sales tax	\$ 5,405,185	\$ -	\$ 5,405,185
Personal services	2,122,286	536,522	2,658,808
Materials and supplies	833,984	100,527	934,511
Other services and charges	803,914	1,209,761	2,013,675
Depreciation	314,000	174,845	488,845
Total operating expenses	<u>\$ 9,479,369</u>	<u>\$ 2,021,655</u>	<u>\$ 11,501,024</u>
 Operating income (loss)	 <u>\$ 313,140</u>	 <u>\$ (1,883,919)</u>	 <u>\$ (1,570,779)</u>
Nonoperating income			
Intergovernmental			
State/Federal	\$ 421,365	\$ 455,865	\$ 877,230
Interest earnings	994	512	1,506
Total nonoperating income	<u>\$ 422,359</u>	<u>\$ 456,377</u>	<u>\$ 878,736</u>
 Income (loss) before transfers	 <u>\$ 735,499</u>	 <u>\$ (1,427,542)</u>	 <u>\$ (692,043)</u>
<u>OPERATING TRANSFERS AND CONTRIBUTIONS</u>			
Transfers - in	525,176	1,893,770	2,418,946
Transfers - out	(1,476,983)	(249,105)	(1,726,088)
 Change in net assets	 <u>\$ (216,308)</u>	 <u>\$ 217,123</u>	 <u>\$ 815</u>
 Total net assets - beginning	 <u>\$ 11,642,653</u>	 <u>\$ 6,733,391</u>	 <u>\$ 18,376,044</u>
 Prior period adjustments	 <u>(72,812)</u>	 <u>10,871</u>	 <u>(61,941)</u>
 Total net assets - beginning as restated	 <u>\$ 11,569,841</u>	 <u>\$ 6,744,262</u>	 <u>\$ 18,314,103</u>
 Total net assets - ending	 <u><u>\$ 11,353,533</u></u>	 <u><u>\$ 6,961,385</u></u>	 <u><u>\$ 18,314,918</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF VIDALIA, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities		
	Utility Fund	Riverfront Development Fund	Total Enterprise Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 9,803,103	\$ 137,736	\$ 9,940,839
Payments to suppliers	(7,210,572)	(1,463,381)	(8,673,953)
Payments to employees	(2,099,319)	(531,353)	(2,630,672)
Net cash provided by (used for) operating activities	\$ 493,212	\$ (1,856,998)	\$ (1,363,786)
Cash flows from noncapital financing activities			
Net change in amounts due from/to other funds	\$ 818,625	\$ (994,667)	\$ (176,042)
Transfers from other funds	525,176	1,893,770	2,418,946
Transfers to other funds	(1,476,983)	(249,105)	(1,726,088)
Grant proceeds	421,365	1,658,559	2,079,924
Net cash provided by noncapital financing activities	\$ 288,183	\$ 2,308,557	\$ 2,596,740
Cash flows from capital and related financing activities			
Purchases of fixed assets	\$ (861,983)	\$ (127,662)	\$ (989,645)
Net cash used for capital and related financing activities	\$ (861,983)	\$ (127,662)	\$ (989,645)
Cash flows from investing activities			
Interest on temporary investments	\$ 994	\$ 512	\$ 1,506
Net cash provided by investing activities	\$ 994	\$ 512	\$ 1,506
Net increase (decrease) in cash and cash equivalents	\$ (79,594)	\$ 324,409	\$ 244,815
Cash and cash equivalents, beginning of year	309,516	181,917	491,433
Cash and cash equivalents, end of year	\$ 229,922	\$ 506,326	\$ 736,248
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	\$ 313,140	\$ (1,883,919)	\$ (1,570,779)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation	\$ 314,000	\$ 174,845	\$ 488,845
Change in assets and liabilities			
Decrease in accounts receivable	(8,811)	-	(8,811)
Decrease in accounts payable	(167,489)	(153,093)	(320,582)
Increase in accrued liabilities	22,967	5,169	28,136
Increase in customer deposits	19,405	-	19,405
Total adjustments	\$ 180,072	\$ 26,921	\$ 206,993
Net cash provided by (used for) operating activities	\$ 493,212	\$ (1,856,998)	\$ (1,363,786)

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Vidalia was incorporated April 1, 1901, under the provisions of the Lawrason Act. The Town operates under the Mayor-Board of Aldermen form of government and provides the following services as authorized by the Lawrason Act: public safety (police, fire, and ambulance); streets; sanitation; health; culture-recreation; public improvements; planning and zoning; provision of gas, electric, and water utilities; sewer services; and general administrative services.

The accounting and reporting policies of the Town of Vidalia conform to generally accepted accounting principles as applicable to governments in the United States of America.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (the Mayor and Board of Aldermen). The scope of the governmental entity included in this report was determined by applying the criteria established by the Governmental Accounting Standards Board's Statement Number 14.

The application of these criteria revealed no additional governmental reporting entities, which would be properly included in these financial statements.

The Town Marshall's balances and transactions are accounted for in the Town Court Fund.

B. Basis of Presentation

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Hydro Royalty Fund is used to account for the revenues and expenses of the hydroelectric project.

The Municipal Complex Fund accounts for the financing and construction of the Town's new municipal complex, which will house the administrative, police, and fire functions.

The municipality reports the following major proprietary funds:

The Utility Fund is used to account for the provision of gas, electric, and water utilities, as well as sewer services to residents of the Town and some residents of the Parish. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service and billing and collection.

The Riverfront Development Fund is used to account for the collection and expenditure of revenues earned from the rental of the Town's conference and convention center.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the municipality's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Cash Equivalents

The municipality's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of six months or less from the date of acquisition. State law and the municipality's investment policy allow the municipality to invest in collateralized certificates of deposit, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes and customer's utility receivables are recognized through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Receivables and Payables (continued)

The Town annually levies ad valorem taxes in accordance with state statute for the fiscal year ended June 30. Tax bills are prepared and delivered in October with payment due from the date of receipt to the last day of February. Because of the due dates noted previously, ad valorem taxes are not considered to be available resources of the fiscal year to which they apply and are, therefore, not accrued at the end of the fiscal year.

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Concordia Parish.

For the year ended June 30, 2012, taxes of 3.31 mills were levied on property with assessed valuations totaling \$48,799,280 after abatements and exemptions and were dedicated as follows:

General corporate purposes	3.31 mills
Total taxes levied were	\$ 161,526

F. Inventories

Since inventories of the proprietary fund consist of items normally capitalized upon acquisition, amounts considered in the computation of operating expenses are immaterial and, therefore, not reflected.

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Restricted Assets - Utility Fund

Restricted assets were applicable to the following at June 30, 2012:

Consumer deposits	\$ <u>229,922</u>
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I. Capital Assets

Capital acquisitions and construction are reflected as expenditures in Governmental Fund statements and the related assets are reported as capital assets in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The municipality maintains a threshold level of \$2,500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Streets and parking areas	15 - 40 Years
Improvements other than buildings	10 - 40 Years
Buildings and structures	10 - 40 Years
Machinery and equipment	5 - 10 Years

J. Compensated Absences

The Town has implemented GASB Statement Number 16 "Accounting for Compensated Absences". Under GASB Statement Number 16, a liability for unpaid vacation that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to benefits.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

K. Long-Term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

L. Equity Classification

Equity is classified as net assets and displayed in three components: (1) invested in capital assets, net of related debt - consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, (2) restricted net assets - consists of net assets with constraints placed on the use either by (a) external groups such as creditors, grantors, contributions or laws or regulations of other governments, or (b) law through constitutional provisions or enabling legislation, and (3) unrestricted net assets - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The government-wide statement of net assets reports \$2,911,959 of restricted net assets, all of which is restricted by enabling legislation.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Equity Classification (continued)

Fund financial statements -

Beginning with fiscal year 2012, the Town implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable fund balance** - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- **Restricted fund balance** - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- **Committed fund balance** - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- **Assigned fund balance** - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- **Unassigned fund balance** - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board of Aldermen establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board of Aldermen through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, and unassigned. Proprietary fund equity is classified the same as in the government-wide statements.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town follows procedures established by Louisiana Revised Statute in the preparation and adoption of its annual operating budgets as follows:

1. The Town Clerk prepares a proposed budget and submits same to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue, Debt Service Funds, and Capital Project Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.

EXCESS OF EXPENDITURES OVER APPROPRIATIONS. The following individual funds had actual expenditures over budgeted appropriations for the year ended June 30, 2012:

<u>Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Hydro Royalty Fund	\$ 10,500,000	\$ 10,000,000	\$ 11,473,180	\$ (1,473,180)
Town Court Fund	\$ 105,000	\$ 145,000	\$ 190,657	\$ (45,657)
Roadway Improvement Fund	\$ -	\$ -	\$ 1,096,536	\$ (1,096,536)
Polk Park Fund	\$ -	\$ -	\$ 471,196	\$ (471,196)
Ambulance Fund	\$ 460,500	\$ 477,500	\$ 606,814	\$ (129,314)
Industrial Park Fund	\$ 80,000	\$ 273,000	\$ 279,814	\$ (6,814)
Port Access Fund	\$ -	\$ 1,150,000	\$ 1,154,830	\$ (4,830)

DEFICITS. The following individual fund has a material deficit in unassigned fund balance (net assets) at June 30, 2012:

<u>Fund</u>	<u>Deficit Amount</u>
General Fund	\$ 708,521

The General Fund deficit was reduced by \$443,047 from the prior year. Management will continue to be diligent in reducing this deficit through budget monitoring and cuts in expenditures.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 2012, the municipality has cash and cash equivalents (book balances) totaling \$6,962,827 as follows:

Demand deposits	\$ 1,315,289
Time deposits	5,642,963
Cash on hand and NSF checks	<u>4,575</u>
Total	<u>\$ 6,962,827</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2012, the municipality has \$7,237,239 in deposits (collected bank balances). These deposits are secured from risk by \$750,000 of federal deposit insurance and \$11,377,928 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the municipality that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 - RECEIVABLES

The receivables of \$1,593,074 at June 30, 2012, are as follows:

<u>Class of Receivables</u>	<u>Governmental Funds</u>	<u>Business-Type Funds</u>	<u>Totals</u>
Taxes:			
Ad valorem	\$ 4,776	\$ -	\$ 4,776
Sales and use	188,841	-	188,841
Accounts	173,421	1,298,251	1,471,672
Accrued interest	2,640	-	2,640
Other	3	-	3
Allowance for uncollectibles	<u>(71,614)</u>	<u>(3,244)</u>	<u>(74,858)</u>
Totals	<u>\$ 298,067</u>	<u>\$ 1,295,007</u>	<u>\$ 1,593,074</u>

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Amounts due from other governmental units at June 30, 2012, consisted of the following:

<u>Due From</u>	<u>General</u>	<u>Enterprise Fund</u>	<u>Totals</u>
State of Louisiana	\$ 7,136	\$ -	\$ 7,136
Due from FEMA	204,552	-	204,552
Due from LA State Parks	132,169	-	132,169
Concordia Parish	17,194	-	17,194
Totals	<u>\$ 361,051</u>	<u>\$ -</u>	<u>\$ 361,051</u>

NOTE 6 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A summary of individual receivables and payables reflected as "Due To or Due From Other Funds" follows:

<u>Fund</u>	<u>Interfund</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 336,272	\$ -
Other Governmental Funds	510,578	510,578
Utility Fund	-	336,272
Totals	<u>\$ 846,850</u>	<u>\$ 846,850</u>

Interfund transfers during the year ended June 30, 2012, were as follows:

<u>Fund</u>	<u>Interfund Transfer</u>	
	<u>In</u>	<u>Out</u>
General Fund	\$ 7,526,397	\$ 509,970
Hydro Royalty Fund	-	5,325,176
Other Governmental Funds	2,785,395	5,206,441
Utility Fund	525,176	1,476,983
Municipal Complex	36,937	-
Riverfront Development Fund	1,893,770	249,105
Totals	<u>\$ 12,767,675</u>	<u>\$ 12,767,675</u>

Transfers are primarily used to move funds from:

- The Proprietary Funds to the General Fund to cover expenses of general operations.
- The Hydro Royalty Fund to the Utility Fund as further described in Note 15.
- The General Fund to the Municipal Complex and other Nonmajor Governmental Funds to finance various capital projects.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 7 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2012, is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated				
Land	\$ 4,441,005	\$ -	\$ (99,150)	\$ 4,341,855
Construction in progress	<u>5,708,391</u>	<u>5,803,000</u>	<u>-</u>	<u>11,511,391</u>
Total capital assets, not being depreciated	<u>\$ 10,149,396</u>	<u>\$ 5,803,000</u>	<u>\$ (99,150)</u>	<u>\$ 15,853,246</u>
Capital assets, being depreciated				
Buildings and structures	\$ 2,209,787	\$ -	\$ -	\$ 2,209,787
Improvements other than buildings	8,325,587	55,034	-	8,380,621
Machinery and equipment	3,627,896	81,475	-	3,709,371
Streets and parking areas	<u>10,187,628</u>	<u>11,690</u>	<u>-</u>	<u>10,199,318</u>
Total capital assets being depreciated	<u>\$ 24,350,898</u>	<u>\$ 148,199</u>	<u>\$ -</u>	<u>\$ 24,499,097</u>
Less accumulated depreciation for:				
Buildings and structures	\$ (997,073)	\$ (43,659)	\$ -	\$ (1,040,732)
Improvements other than buildings	(2,404,727)	(243,490)	-	(2,648,217)
Machinery and equipment	(2,221,593)	(212,416)	-	(2,434,009)
Streets and parking areas	<u>(4,850,238)</u>	<u>(221,430)</u>	<u>-</u>	<u>(5,071,668)</u>
Total accumulated depreciation	<u>\$ (10,473,631)</u>	<u>\$ (720,995)</u>	<u>\$ -</u>	<u>\$ (11,194,626)</u>
Total capital assets being depreciated, net	<u>\$ 13,877,267</u>	<u>\$ (572,796)</u>	<u>\$ -</u>	<u>\$ 13,304,471</u>
Total assets, net	<u>\$ 24,026,663</u>	<u>\$ 5,230,204</u>	<u>\$ (99,150)</u>	<u>\$ 29,157,717</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated				
Land	\$ 685,589	\$ -	\$ -	\$ 685,589
Construction in progress	<u>1,884,953</u>	<u>62,158</u>	<u>(553,000)</u>	<u>1,394,111</u>
Total capital assets, not being depreciated	<u>\$ 2,570,542</u>	<u>\$ 62,158</u>	<u>\$ (553,000)</u>	<u>\$ 2,079,700</u>
Capital assets, being depreciated				
Buildings and structures	\$ 5,488,266	\$ 650,936	\$ -	\$ 6,139,202
Improvements other than buildings	114,786	794,480	-	909,266
Machinery and equipment	<u>18,885,743</u>	<u>35,071</u>	<u>-</u>	<u>18,920,814</u>
Total capital assets, being depreciated	<u>\$ 24,488,795</u>	<u>\$ 1,480,487</u>	<u>\$ -</u>	<u>\$ 25,969,282</u>

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 7 - CAPITAL ASSETS (continued)

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Less accumulated depreciation for:				
Buildings and structures	\$ (437,809)	\$ (24,264)	\$ -	\$ (462,073)
Improvements other than buildings	(19,616)	(1,088)	-	(20,704)
Machinery and equipment	<u>(8,362,944)</u>	<u>(463,493)</u>	-	<u>(8,826,437)</u>
Total accumulated depreciation	\$ <u>(8,820,369)</u>	\$ <u>(488,845)</u>	\$ -	\$ <u>(9,309,214)</u>
Total capital assets being depreciated, net	\$ <u>15,668,426</u>	\$ <u>991,642</u>	\$ -	\$ <u>16,660,068</u>
Total capital assets, net	\$ <u>18,238,968</u>	\$ <u>1,053,800</u>	\$ <u>(553,000)</u>	\$ <u>18,739,768</u>

Depreciation expense of \$720,995 for the year ended June 30, 2012, was charged to the following governmental functions:

General government	\$ 40,827
Public safety	168,266
Public works	333,712
Economic development	<u>178,190</u>
	<u>\$ 720,995</u>

NOTE 8 - CONSTRUCTION COMMITMENTS

The municipality has active construction projects as of June 30, 2012. At year end, the commitments with contractors are as follows:

<u>Project</u>	<u>Spent To Date</u>	<u>Remaining Commitment</u>
Gateway/Welcome Center Project	\$ 2,754,271	\$ 263,277
Municipal Complex Project	7,014,584	14,200
Roadway Improvements Project	1,096,536	40,727
Polk Park Project	471,196	72,507
Port Access Project	<u>1,154,831</u>	<u>85,588</u>
Total	<u>\$ 12,491,418</u>	<u>\$ 476,299</u>

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 9 - LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions for the year ended June 30, 2012:

	<u>General Long-Term Debt</u>			
	<u>Sales Tax Bonds/General Obligation Bonds</u>			
	<u>2007 Series</u>	<u>2010 Series</u>	<u>2011 Series</u>	<u>Totals</u>
Long-term obligations payable at June 30, 2011	\$ 2,165,000	\$ 1,452,000	\$ 3,477,291	\$ 7,094,291
Issuance of debt	-	-	3,280,155	3,280,155
Principal retired	<u>(200,000)</u>	<u>(184,000)</u>	<u>-</u>	<u>(384,000)</u>
Long-term obligations payable at June 30, 2012	<u>\$ 1,965,000</u>	<u>\$ 1,268,000</u>	<u>\$ 6,757,446</u>	<u>\$ 9,990,446</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2012:

	<u>Bonded Debt</u>
Current portion	\$ 7,162,446
Long-term portion	<u>2,828,000</u>
Total	<u>\$ 9,990,446</u>

Sales Tax Bond Series 2007 dated January 9, 2007, in the amount of \$2,440,000

Principal installments are payable on June 1 of each year beginning June 1, 2007, and ending June 1, 2020, with interest rates ranging from 3.55% to 4.10% per annum and principal payments ranging from \$10,000 to \$280,000. Financing for these bonds is to be provided from sales tax revenues.

\$ 1,965,000

Sales Tax Bond Series 2010 dated June 1, 2010, in the amount of \$1,630,000

Principal installments are payable on December 1 of each year beginning December 1, 2011, and ending December 1, 2017, with interest at 3.75% per annum and principal payments ranging from \$176,000 to \$237,000. Financing for these bonds is to be provided from sales.

1,268,000

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 9 - LONG-TERM OBLIGATIONS (continued)

General Obligation Bond Anticipation Notes 2011 dated November 1, 2011, in the amount of \$6,937,000

Interim financing obtained from local banks, through USDA, for the construction of municipal complex to house administrative, police and fire functions. Note bearing interest at 3.5% with principal and interest due November 1, 2012. Debt is secured by a pledge of excess municipal revenues including but not limited to the Hydro Royalty Fund.

6,757,446

\$ 9,990,446

At June 30, 2012, the municipality has accumulated \$505,365 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Totals</u>
2013	\$ 7,162,446	\$ 121,390	\$ 7,283,836
2014	416,000	106,090	522,090
2015	437,000	90,174	527,174
2016	456,000	73,350	529,350
2017	472,000	55,740	527,740
2018-2020	<u>1,047,000</u>	<u>71,154</u>	<u>1,118,154</u>
Total	<u>\$ 9,990,446</u>	<u>\$ 517,898</u>	<u>\$ 10,508,344</u>

The municipality is legally restricted from incurring long-term bonded debt secured by sales and use taxes in excess of 75% of the avails of the tax. The municipality was within this 75% limitation when the sales tax bonds were issued.

NOTE 10 - SALES AND USE TAX REVENUES

- A. On July 17, 1999, a special election was held at which the citizens of Vidalia approved two individual propositions concerning (1) the levy and use of an additional 1% sales tax, and (2) the use of the existing 1% sales tax, which was approved in 1970.

Generally, the propositions authorized the imposition of a new 1% sales tax for 18 years and dedicated the proceeds of both the new and existing sales tax for the acquisition, construction, extending, improving, maintaining, and/or operating public streets, drainage facilities, waterworks system facilities and improvements, and sewerage system facilities and improvements, and authorized the City to fund the proceeds of both sales taxes into bonds for any capital purpose set forth above.

- B. Proceeds of an additional .5% sales and use tax are dedicated to providing the community with ambulance service.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 11 - RETIREMENT SYSTEMS

Substantially all employees of the Town of Vidalia, Louisiana are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, or Firefighters' Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds, and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless they have at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100% of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810.

Funding Policy. Under Plan B, members are required by state statute to contribute 5.0% of their annual covered salary, and the Town of Vidalia, Louisiana is required to contribute at an actuarially determined rate. The current rate is 8% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Vidalia, Louisiana are established and may be amended by state statute.

As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Vidalia, Louisiana's contributions to the System under Plan B for the years ending June 30, 2012 and June 30, 2011, were \$226,904 and \$190,358, respectively, equal to the required contributions for those years.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 11 - RETIREMENT SYSTEMS (continued)

B. Municipal Police Employees Retirement System of Louisiana (System)

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

Funding Policy. Plan members are required by state statute to contribute 10% of their annual covered salary, and the Town of Vidalia, Louisiana is required to contribute at an actuarially determined rate. The current rate is 26.50% of annual covered payroll. The contribution requirements of plan members and the Town of Vidalia, Louisiana are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Vidalia, Louisiana's contributions to the System for the years ending June 30, 2012 and June 30, 2011, were \$179,370 and \$129,236, respectively, equal to the required contributions for those years.

C. Firefighters' Retirement System of Louisiana (System)

Plan Description. Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3-1/3% of their final-average salary for each year of creditable service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 11 - RETIREMENT SYSTEMS (continued)

C. Firefighters' Retirement System of Louisiana (System) (continued)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (225) 925-4060.

Funding Policy. Plan members are required by state statute to contribute 10.0% of their annual covered salary, and the Town of Vidalia, Louisiana is required to contribute at an actuarially determined rate. The current rate is 23.25% of annual covered payroll. The contribution requirements of plan members and the Town of Vidalia, Louisiana are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Vidalia, Louisiana's contributions to the System for the years ending June 30, 2012 and June 30, 2011, were \$64,668 and \$65,669, respectively, equal to the required contributions for those years.

NOTE 12 - SEGMENT INFORMATION FOR UTILITY FUND

The Utility Fund operated by the Town provides gas, electric, water, and sewer utility services. The following is a summary of disclosures required by the National Council on Governmental Accounting in Interpretation 2, Segment Information for Enterprise Funds, Utility Departments only:

	<u>Gas Utility</u>	<u>Electric Utility</u>	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Office</u>	<u>Total</u>
Operating revenues	\$ 866,099	\$ 7,858,576	\$ 571,576	\$ 496,258	\$ -	\$ 9,792,509
Purchase of utility provided	(324,980)	(5,080,205)	-	-	-	(5,405,185)
Operating expenses	(193,400)	(1,927,862)	(868,376)	(247,202)	(523,344)	(3,760,184)
Depreciation	(40,092)	(151,733)	(43,097)	(54,443)	(24,635)	(314,000)
Operating income (loss)	<u>\$ 307,627</u>	<u>\$ 698,776</u>	<u>\$ (339,897)</u>	<u>\$ 194,613</u>	<u>\$ (547,979)</u>	\$ 313,140
Operating transfers, net						(951,807)
Grants						421,365
Interest income						<u>994</u>
Net loss						<u>\$ (216,308)</u>

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 13 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 14 - COMPENSATION OF THE GOVERNING BOARD

The Governing Board of the Town of Vidalia, Louisiana consists of a Mayor and five Aldermen. For the fiscal year ended June 30, 2012, their compensation was as follows:

Hiram Copeland, Mayor	\$ 75,948
Maureen Sanderes, Alderman	8,313
Triand McCoy, Alderman	8,313
Vernon Stevens, Alderman	8,313
Richard Knapp, Alderman	8,313
Jon Betts, Alderman	<u>8,313</u>
	<u>\$ 117,513</u>

NOTE 15 - TOWN OF VIDALIA - HYDROELECTRIC PROJECT

On March 22, 1984, the Town of Vidalia, Louisiana entered into a conditional agreement with Catalyst Energy Development Corporation to enable Catalyst to successfully finance, develop, construct, operate, and maintain the Vidalia Hydroelectric Project to be located in the State of Louisiana between the Mississippi River and the Atchafalaya River near the U.S. Corps of Engineers' Old River Control Project.

On June 28, 1988, the Town of Vidalia, Louisiana, and Catalyst Old River Hydroelectric Limited Partnership (successor to the rights and obligations of Catalyst Energy Development Corporation) entered into an agreement to amend and restate the March 22, 1984, agreement in its entirety. This agreement was again amended and restated on August 17, 1990, in its entirety. A general summary is as follows:

A. Payment of Royalties to the Town of Vidalia

In consideration for its participation in this hydroelectric project, the Town of Vidalia will be entitled to royalty payments based on a percentage of gross revenues beginning with 3.75% in the first year of operations, graduated to 11.6% in the year 2021, and 20% thereafter. All such payments shall be paid quarterly by depositing or transferring funds into a royalty account.

B. Restrictions on Revenues

Revenues derived from the Town's participation in the S. A. Murray, Jr. Hydro Station shall be deposited into a special bank account and designated as the "Town of Vidalia Hydro Royalty Fund". This fund is accounted for as a "Special Revenue Fund". These revenues shall be maintained and administered in the following order of priority and expended for the following express purposes:

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 15 - TOWN OF VIDALIA - HYDROELECTRIC PROJECT (continued)

B. Restrictions on Revenues (continued)

1. Payments of all expenses and costs arising from the Town's participation in the S. A. Murray, Jr. Hydro Station.
2. Satisfaction of any debt requirements incurred to finance capital improvements, which were approved pursuant to the conditions as set forth in the following item number seven (7).
3. The establishment and maintenance of a reserve fund into which amounts shall be transferred, the total of which shall equal or exceed the highest amount possibly due under the Catalyst Vidalia Power Purchase Agreement in any two month period of any upcoming calendar year.
4. The Town transfers to the utility fund each month the amount by which the Town's "normal" cost of electric power and energy exceeds thirty eight (38) mills per kilowatt hour. "Normal" cost of power and energy is the amount paid per kilowatt hour under the current or future power purchase agreements exclusive of power purchased under economic development rate schedules or any other discounted rate schedule which results in a cost which is less than thirty eight (38) mills per kilowatt hour.
5. The rebate of an amount, to be determined by the Mayor and Board of Aldermen, to the then current retail customers of the Town's municipal electric system. This amount shall not exceed fifty percent (50%) of the revenues remaining after payment of amounts noted in items one (1) through four (4). The amount rebated to each class of retail customer shall be determined by applying to the total amount to be rebated the percentage which the gross margin from retail electric sales to each class of customer bears to total gross margin from all retail sales of electric power. This rebate will be based on kilowatt hour usage during the previous calendar year and shall not exceed fifty percent (50%) of each customer's total electric billing during that period. In all cases, the Town reserves the right to offset any and all amounts due it from individual customers.
6. The transfer to the Town's general fund an amount necessary to offset any deficits incurred in the operation and maintenance of all nonutility municipal services.
7. Revenue not expended as previously stated shall be considered surplus revenue and may be used for any lawful corporate purpose after satisfying the following conditions:

The Mayor and Board of Aldermen shall annually compile a schedule of projects on which these surplus revenues are proposed to be expended. A summary of these projects shall be published and the public notified that details are available for public inspection. At the same time, a minimum of two (2) public hearings shall be called to discuss the proposed projects and receive public input concerning possible alternative uses of surplus funds.

After holding the required public hearings and giving due consideration of public input, the Board of Aldermen shall approve the expenditures of surplus funds for projects deemed to be in the best public interest.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 15 - TOWN OF VIDALIA - HYDROELECTRIC PROJECT (continued)

B. Restrictions on Revenues (continued)

None of the foregoing shall preclude the loaning of funds to any municipal entity of the Town of Vidalia providing that said loan with interest equal to the average rate of return on the investment of surplus municipal funds shall be repaid prior to the expiration of the term of the Mayor and Board of Aldermen authorizing said loan.

C. Option to Purchase the Hydroelectric Project

The partnership has granted to the Town of Vidalia an option to purchase, at any time on or after January 1, 2030, but before January 1, 2032, all of the partnership's rights, title, and interest in and to the hydroelectric project, as then constituted, subject to any permitted mortgages then outstanding at the price of (i) \$1,000 payable in cash at closing, and (ii) the balance payable on or before the 15th of each month following the month in which the sale of the project occurs through December 31, 2132, in an amount equal to two-thirds of the cash available for distribution during the preceding month.

This option shall be exercisable by the Town of Vidalia only by twelve months prior written notice given by the Town to the partnership, provided, however, that the partnership shall give written notice to the Town of Vidalia during the year 2029 for the Town's exercise of its option to purchase.

NOTE 16 - SUBSEQUENT EVENT (FEDERAL TAX LIEN)

On September 18, 2012, the Internal Revenue Service filed a Federal Tax Lien dated September 10, 2012, against the Town in the Concordia Parish Clerk of Court's Office for failure to pay payroll tax liabilities due. These delinquent payroll taxes related to the following tax periods: 2006, 2007, 2009, 2010, 2011, and 2012. The taxes, penalties, and interest totaled \$635,413. Penalties and interest were approximately 30% of the total assessment. When this matter was brought to the attention of the Mayor and Board, the Town immediately paid the assessment. The Federal Tax Lien was released on October 4, 2012. Subsequently, the Internal Revenue Service abated a substantial portion of the assessed penalties. In December of 2012, the Town received refund checks totaling \$174,011. The Town has taken steps to insure this will not happen again. A new Town manager has been hired, payroll duties have been further segregated, and internal controls improved. Adjustments were made to the prior period and are reflected in Note 17.

NOTE 17 - PRIOR PERIOD ADJUSTMENTS AND RECLASSIFICATION OF FUND

Prior period adjustments were made to the governmental and business activities. The adjustments were due to cancelled checks, tax penalties, interest and improper revenue and expense recognition in the previous year. The resulting effects on net assets are as follows:

Governmental Activities

General Fund

Utility Fund

\$ (432,168)

(61,941)

\$ (494,109)

REQUIRED SUPPLEMENTAL INFORMATION (Part II)

TOWN OF VIDALIA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 145,000	\$ 160,000	\$ 191,468	\$ 31,468
Licenses and permits	185,000	185,000	231,723	46,723
Fines and forfeits	50,000	50,000	15,776	(34,224)
Intergovernmental revenue	500,000	500,000	561,466	61,466
Charges for services	410,000	410,000	398,345	(11,655)
Other	127,000	127,000	141,151	14,151
Total revenues	<u>\$ 1,417,000</u>	<u>\$ 1,432,000</u>	<u>\$ 1,539,929</u>	<u>\$ 107,929</u>
Expenditures				
Current:				
Personal services	\$ 4,421,500	\$ 5,589,000	\$ 5,590,002	\$ (1,002)
Materials and supplies	789,838	1,001,000	874,283	126,717
Other services and charges	829,616	988,000	863,962	124,038
Capital outlay:				
Building, machinery, and equipment	383,524	393,500	352,894	40,606
Total expenditures	<u>\$ 6,424,478</u>	<u>\$ 7,971,500</u>	<u>\$ 7,681,141</u>	<u>\$ 290,359</u>
Excess of revenues before operating transfers	<u>\$ (5,007,478)</u>	<u>\$ (6,539,500)</u>	<u>\$ (6,141,212)</u>	<u>\$ 398,288</u>
Other financing sources (uses)				
Operating transfers - in	\$ 5,200,000	\$ 6,500,000	\$ 7,526,397	\$ 1,026,397
Operating transfers - out	-	-	(509,970)	(509,970)
Total other financing sources (uses)	<u>\$ 5,200,000</u>	<u>\$ 6,500,000</u>	<u>\$ 7,016,427</u>	<u>\$ 516,427</u>
Net change in fund balance	<u>\$ 192,522</u>	<u>\$ (39,500)</u>	<u>\$ 875,215</u>	<u>\$ 914,715</u>
Fund balance - beginning of year	<u>\$ (1,151,568)</u>	<u>\$ (1,151,568)</u>	<u>\$ (1,151,568)</u>	<u>\$ -</u>
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(432,168)</u>	<u>(432,168)</u>
Fund balance - beginning of year, restated	<u>\$ (1,151,568)</u>	<u>\$ (1,151,568)</u>	<u>\$ (1,583,736)</u>	<u>\$ (432,168)</u>
Fund balance - end of year	<u>\$ (959,046)</u>	<u>\$ (1,191,068)</u>	<u>\$ (708,521)</u>	<u>\$ 482,547</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
HYDRO ROYALTY FUND

FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 3,100,000	\$ 3,100,000	\$ 2,376,621	\$ (723,379)
Investment earnings	-	-	21,934	21,934
Other	11,500,000	11,500,000	14,067,501	2,567,501
Total revenues	<u>\$ 14,600,000</u>	<u>\$ 14,600,000</u>	<u>\$ 16,466,056</u>	<u>\$ 1,866,056</u>
Expenditures				
Current:				
Other services and charges	\$ 10,500,000	\$ 10,000,000	\$ 11,473,180	\$ (1,473,180)
Total expenditures	<u>\$ 10,500,000</u>	<u>\$ 10,000,000</u>	<u>\$ 11,473,180</u>	<u>\$ (1,473,180)</u>
Excess of revenues before operating transfers	<u>\$ 4,100,000</u>	<u>\$ 4,600,000</u>	<u>\$ 4,992,876</u>	<u>\$ 392,876</u>
Other financing sources (uses)				
Operating transfers - out	\$ (5,053,000)	\$ (6,353,000)	\$ (5,325,176)	\$ 1,027,824
Total other financing sources (uses)	<u>\$ (5,053,000)</u>	<u>\$ (6,353,000)</u>	<u>\$ (5,325,176)</u>	<u>\$ 1,027,824</u>
Net change in fund balance	\$ (953,000)	\$ (1,753,000)	\$ (332,300)	\$ 1,420,700
Fund balance - beginning of year	6,875,133	6,875,133	6,875,133	-
Fund balance - end of year	<u>\$ 5,922,133</u>	<u>\$ 5,122,133</u>	<u>\$ 6,542,833</u>	<u>\$ 1,420,700</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2012

Budgetary Comparison Schedule

1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the GAAP basis, and variances between the final budget and the actual data.

2. Budget Amendments and Revisions

The budget is adopted by the Board of Aldermen. Amendments can be made on the approval of the Board of Aldermen. A budgetary comparison is presented for the General Fund and each major special revenue fund consistent with accounting principles generally accepted in the United States of America.

See Independent Auditor's Report.

OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

TOWN OF VIDALIA, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

	Special Revenue					Debt Service		Capital Projects						Total Nonmajor Governmental Funds
	Sales Tax Fund	Ambulance Fund	Town Court Fund	Hotel Occupancy Fund	Total	Sales Tax Sinking Fund	Total	LCDBG Fund	Roadway Fund	Industrial Park Fund	Port Access Fund	Evacuation Center Fund	Total	
Assets														
Cash and cash equivalents	\$ 1,342,509	\$ 12,063	\$ 292,748	\$ 222,673	\$ 1,869,993	\$ 505,362	\$ 505,362	\$ 1	\$ -	\$ 88,872	\$ 100	\$ 44,026	\$ 132,999	\$ 2,508,354
Receivables (net of allowance for uncollectibles)	188,841	47,210	24,802	-	260,853	3	3	-	-	-	-	-	-	260,856
Due from other agencies	-	-	-	-	-	-	-	-	-	-	5,030	-	5,030	5,030
Due from other funds	-	510,578	-	-	510,578	-	-	-	-	-	-	-	-	510,578
Total assets	<u>\$ 1,531,350</u>	<u>\$ 569,851</u>	<u>\$ 317,550</u>	<u>\$ 222,673</u>	<u>\$ 2,641,424</u>	<u>\$ 505,365</u>	<u>\$ 505,365</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 88,872</u>	<u>\$ 5,130</u>	<u>\$ 44,026</u>	<u>\$ 138,029</u>	<u>\$ 3,284,818</u>
Liabilities and Fund Balances														
Liabilities:														
Accounts payable	\$ 67,743	\$ 30,672	\$ -	\$ -	\$ 98,415	\$ -	\$ -	\$ -	\$ 40,727	\$ 31,312	\$ 5,030	\$ -	\$ 77,069	\$ 175,484
Accrued liabilities	-	58,339	-	-	58,339	-	-	-	-	1,993	-	-	1,993	60,332
Due to other funds	510,578	-	-	-	510,578	-	-	-	-	-	-	-	-	510,578
Other liabilities	-	-	10,947	-	10,947	-	-	-	-	-	-	-	-	10,947
Total liabilities	<u>\$ 578,321</u>	<u>\$ 89,011</u>	<u>\$ 10,947</u>	<u>\$ -</u>	<u>\$ 678,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,727</u>	<u>\$ 33,305</u>	<u>\$ 5,030</u>	<u>\$ -</u>	<u>\$ 79,062</u>	<u>\$ 757,341</u>
Fund balances:														
Restricted for:														
Capital projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ (40,727)	\$ 55,567	\$ 100	\$ 44,026	\$ 58,967	\$ 58,967
Debt service	-	-	-	-	-	505,365	505,365	-	-	-	-	-	-	505,365
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	953,029	480,840	306,603	222,673	1,963,145	-	-	-	-	-	-	-	-	1,963,145
Total fund balances	<u>\$ 953,029</u>	<u>\$ 480,840</u>	<u>\$ 306,603</u>	<u>\$ 222,673</u>	<u>\$ 1,963,145</u>	<u>\$ 505,365</u>	<u>\$ 505,365</u>	<u>\$ 1</u>	<u>\$ (40,727)</u>	<u>\$ 55,567</u>	<u>\$ 100</u>	<u>\$ 44,026</u>	<u>\$ 58,967</u>	<u>\$ 2,527,477</u>
Total liabilities and fund balances	<u>\$ 1,531,350</u>	<u>\$ 569,851</u>	<u>\$ 317,550</u>	<u>\$ 222,673</u>	<u>\$ 2,641,424</u>	<u>\$ 505,365</u>	<u>\$ 505,365</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 88,872</u>	<u>\$ 5,130</u>	<u>\$ 44,026</u>	<u>\$ 138,029</u>	<u>\$ 3,284,818</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2012

	Special Revenue					Debt Service		Capital Projects									Total Nonmajor Governmental Funds
	Sales Tax Fund	Ambulance Fund	Town Court Fund	Hotel Occupancy Fund	Total	Sales Tax Sinking Fund	Total	LCDBG Fund	Roadway Fund	Port Access Fund	Polk Park Fund	Industrial Park Fund	LHFA Fund	Evacuation Center Fund	Total		
Revenues																	
Sales and use	\$ 2,066,860	\$ 522,013	\$ -	\$ 98,207	\$ 2,687,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,687,080	
Intergovernmental revenues:																	
Federal	-	-	-	-	-	-	-	-	-	924,870	-	58,631	-	-	983,501	\$ 983,501	
State	-	47,817	-	-	47,817	-	-	-	-	-	-	-	-	-	-	47,817	
Fines	-	-	155,202	-	155,202	-	-	-	-	-	-	-	-	-	-	155,202	
Charges for services	-	31,859	-	-	31,859	-	-	-	-	-	-	-	-	-	-	31,859	
Investment earnings	-	216	-	-	216	-	-	-	-	-	-	-	-	110	110	326	
Other revenues	5,561	-	-	-	5,561	-	-	-	-	-	-	200,165	-	-	200,165	205,726	
Total revenues	\$ 2,072,421	\$ 601,905	\$ 155,202	\$ 98,207	\$ 2,927,735	\$ -	\$ -	\$ -	\$ -	\$ 924,870	\$ -	\$ 258,796	\$ -	\$ 110	\$ 1,183,776	\$ 4,111,511	
Expenditures																	
General government	\$ 56,959	\$ -	\$ 190,657	\$ 4,855	\$ 252,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 279,814	\$ -	\$ -	\$ 279,814	\$ 532,285	
Public safety	-	606,814	-	-	606,814	-	-	-	-	-	-	-	-	-	-	606,814	
Capital outlay	-	-	-	-	-	-	-	-	1,096,536	1,154,830	471,196	-	-	-	2,722,562	2,722,562	
Debt service																	
Principal	-	-	-	-	-	384,000	384,000	-	-	-	-	-	-	-	-	384,000	
Interest and fiscal fees	-	-	-	-	-	135,853	135,853	-	-	-	-	-	-	-	-	135,853	
Total expenditures	\$ 56,959	\$ 606,814	\$ 190,657	\$ 4,855	\$ 859,285	\$ 519,853	\$ 519,853	\$ -	\$ 1,096,536	\$ 1,154,830	\$ 471,196	\$ 279,814	\$ -	\$ -	\$ 3,002,376	\$ 4,381,514	
Excess (deficiency) of revenues over expenditures	\$ 2,015,462	\$ (4,909)	\$ (35,455)	\$ 93,352	\$ 2,068,450	\$ (519,853)	\$ (519,853)	\$ -	\$ (1,096,536)	\$ (229,960)	\$ (471,196)	\$ (21,018)	\$ -	\$ 110	\$ (1,818,600)	\$ (270,003)	
Other financing sources (uses)																	
Transfers - in	\$ -	\$ 170,545	\$ 1,755	\$ -	\$ 172,300	\$ 566,201	\$ 566,201	\$ -	\$ 1,055,809	\$ 230,060	\$ 471,196	\$ 289,829	\$ -	\$ -	\$ 2,046,894	\$ 2,785,395	
Transfers - out	(4,856,964)	-	-	-	(4,856,964)	-	-	-	-	-	-	(330,611)	(18,866)	-	(349,477)	(5,206,441)	
Total other financing sources (uses)	\$ (4,856,964)	\$ 170,545	\$ 1,755	\$ -	\$ (4,684,664)	\$ 566,201	\$ 566,201	\$ -	\$ 1,055,809	\$ 230,060	\$ 471,196	\$ (40,782)	\$ (18,866)	\$ -	\$ 1,697,417	\$ (2,421,046)	
Net change in fund balance	\$ (2,841,502)	\$ 165,636	\$ (33,700)	\$ 93,352	\$ (2,616,214)	\$ 46,348	\$ 46,348	\$ -	\$ (40,727)	\$ 100	\$ -	\$ (61,800)	\$ (18,866)	\$ 110	\$ (121,183)	\$ (2,691,049)	
Fund balances - beginning	3,794,531	315,204	340,303	129,321	4,579,359	459,017	459,017	1	-	-	-	117,367	18,866	43,916	180,150	5,218,526	
Fund balances - ending	\$ 953,029	\$ 480,840	\$ 306,603	\$ 222,673	\$ 1,963,145	\$ 505,365	\$ 505,365	\$ 1	\$ (40,727)	\$ 100	\$ -	\$ 55,567	\$ -	\$ 44,026	\$ 58,967	\$ 2,527,477	

See Independent Auditor's Report.

COMPARATIVE/COMBINING FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in another fund.

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND

COMPARATIVE BALANCE SHEET

JUNE 30, 2012 AND 2011

	2012	2011
<u>ASSETS</u>		
Cash	\$ 57,523	\$ 273,019
Accounts receivables, net of allowances for estimated uncollectibles (2011 - \$153 and 2010 - \$236)	34,571	43,447
Due from other agencies	-	165,844
Due from other governments	241,070	28,983
Due from other funds	336,272	13,760
Total assets	<u>\$ 669,436</u>	<u>\$ 525,053</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities		
Accounts payable	\$ 753,989	\$ 626,856
Accrued liabilities	623,968	549,765
Due to other funds	-	500,000
Total liabilities	<u>\$ 1,377,957</u>	<u>\$ 1,676,621</u>
Fund balance - unassigned	<u>\$ (708,521)</u>	<u>\$ (1,151,568)</u>
Total liabilities and fund balance	<u>\$ 669,436</u>	<u>\$ 525,053</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
REVENUES				
Taxes	\$ 160,000	\$ 191,468	\$ 31,468	\$ 196,977
Licenses and permits	185,000	231,723	46,723	220,830
Fines and forfeits	50,000	15,776	(34,224)	32,311
Intergovernmental revenue	500,000	561,466	61,466	363,758
Charges for services	410,000	398,345	(11,655)	398,006
Other	127,000	141,151	14,151	115,534
Total revenues	<u>\$ 1,432,000</u>	<u>\$ 1,539,929</u>	<u>\$ 107,929</u>	<u>\$ 1,327,416</u>
Expenditures				
Current:				
Personal services	\$ 5,589,000	\$ 5,590,002	\$ (1,002)	\$ 5,274,336
Materials and supplies	1,001,000	874,283	126,717	693,325
Other services and charges	988,000	863,962	124,038	1,183,732
Capital outlay:				
Buildings and improvements	375,000	106,628	268,372	49,600
Machinery and equipment	18,500	246,266	(227,766)	164,614
Total expenditures	<u>\$ 7,971,500</u>	<u>\$ 7,681,141</u>	<u>\$ 290,359</u>	<u>\$ 7,365,607</u>
Deficit of revenues before operating transfers	<u>\$ (6,539,500)</u>	<u>\$ (6,141,212)</u>	<u>\$ 398,288</u>	<u>\$ (6,038,191)</u>
Other financing sources (uses)				
Operating transfers - in	\$ 6,500,000	\$ 7,526,397	\$ 1,026,397	\$ 5,350,682
Operating transfers - out	-	(509,970)	(509,970)	(346,488)
Total other financing sources (uses)	<u>\$ 6,500,000</u>	<u>\$ 7,016,427</u>	<u>\$ 516,427</u>	<u>\$ 5,004,194</u>
Net change in fund balance	<u>\$ (39,500)</u>	<u>\$ 875,215</u>	<u>\$ 914,715</u>	<u>\$ (1,033,997)</u>
Fund balance - beginning of year	\$ (1,151,568)	\$ (1,151,568)	\$ -	\$ (185,245)
Prior period adjustment	-	(432,168)	(432,168)	67,674
Fund balance - beginning of year, as restated	<u>\$ (1,151,568)</u>	<u>\$ (1,583,736)</u>	<u>\$ (432,168)</u>	<u>\$ (117,571)</u>
Fund balance - end of year	<u>\$ (1,191,068)</u>	<u>\$ (708,521)</u>	<u>\$ 482,547</u>	<u>\$ (1,151,568)</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>GENERAL AND ADMINISTRATIVE</u>				
Personal services				
Salaries and wages	\$ 676,000	\$ 699,859	\$ (23,859)	\$ 465,981
Insurance	135,000	153,929	(18,929)	118,770
Employee benefits	100,000	91,030	8,970	61,760
Total personal services	\$ 911,000	\$ 944,818	\$ (33,818)	\$ 646,511
Materials and supplies				
Office supplies	\$ 12,000	\$ 11,601	\$ 399	\$ 15,101
Operating supplies	144,000	125,625	18,375	91,454
Repair and maintenance supplies	100,000	132,638	(32,638)	21,875
Total materials and supplies	\$ 256,000	\$ 269,864	\$ (13,864)	\$ 128,430
Other services and charges				
Professional fees	\$ 250,000	\$ 225,256	\$ 24,744	\$ 425,791
Communications	40,000	42,349	(2,349)	35,394
Travel and seminar	10,000	8,929	1,071	53,468
Advertising	70,000	65,525	4,475	40,956
Dues and subscriptions	5,000	4,012	988	6,139
Insurance	20,000	22,842	(2,842)	181,281
Utility service	55,000	51,336	3,664	38,505
Repairs and maintenance	9,500	8,127	1,373	11,379
Landfill fees and rentals	20,000	7,215	12,785	3,154
Total other services and charges	\$ 479,500	\$ 435,591	\$ 43,909	\$ 796,067
Capital outlay				
Other improvements	\$ 375,000	\$ 106,620	\$ 268,380	\$ 27,900
Total capital outlay	\$ 375,000	\$ 106,620	\$ 268,380	\$ 27,900
Total general and administrative expenditures	\$ 2,021,500	\$ 1,756,893	\$ 264,607	\$ 1,598,908

-continued-

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>STREET DEPARTMENT</u>				
Personal services				
Salaries and wages	\$ 725,000	\$ 695,981	\$ 29,019	\$ 669,699
Insurance	140,000	143,259	(3,259)	109,928
Employee benefits	120,000	118,142	1,858	162,338
Total personal services	\$ 985,000	\$ 957,382	\$ 27,618	\$ 941,965
Materials and supplies				
Office supplies	\$ 1,500	\$ 1,782	\$ (282)	\$ 691
Operating supplies	100,000	63,392	36,608	56,294
Repair and maintenance supplies	195,000	160,884	34,116	151,944
Total materials and supplies	\$ 296,500	\$ 226,058	\$ 70,442	\$ 208,929
Other services and charges				
Professional fees	\$ 2,500	\$ 4,492	\$ (1,992)	\$ 1,364
Communications	2,500	1,914	586	3,372
Travel and seminar	2,500	1,940	560	5,833
Advertising	500	263	237	-
Dues and subscriptions	250	175	75	-
Insurance	-	-	-	35,978
Utility service	20,000	18,384	1,616	14,950
Repairs and maintenance	12,000	1,541	10,459	9,370
Landfill fees and rentals	-	14,037	(14,037)	9,627
Total other services and charges	\$ 40,250	\$ 42,746	\$ (2,496)	\$ 80,494
Capital outlay				
Building	\$ -	\$ 8	\$ (8)	\$ 21,700
Total capital outlay	\$ -	\$ 8	\$ (8)	\$ 21,700
Total street expenditures	\$ 1,321,750	\$ 1,226,194	\$ 95,556	\$ 1,253,088

-continued-

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>SANITATION DEPARTMENT</u>				
Personal services				
Salaries and wages	\$ 300,000	\$ 262,175	\$ 37,825	\$ 317,457
Insurance	70,000	74,526	(4,526)	67,088
Employee benefits	50,000	50,617	(617)	80,774
Total personal services	<u>\$ 420,000</u>	<u>\$ 387,318</u>	<u>\$ 32,682</u>	<u>\$ 465,319</u>
Materials and supplies				
Office supplies	\$ -	\$ 6,683	\$ (6,683)	\$ 5,014
Operating supplies	10,000	-	10,000	-
Repair and maintenance supplies	60,000	64,261	(4,261)	98,147
Total materials and supplies	<u>\$ 70,000</u>	<u>\$ 70,944</u>	<u>\$ (944)</u>	<u>\$ 103,161</u>
Other services and charges				
Professional fees	\$ -	\$ 76	\$ (76)	\$ 350
Landfill fees and rentals	200,000	178,524	21,476	157,037
Bad debts	-	-	-	2,125
Total other services and charges	<u>\$ 200,000</u>	<u>\$ 178,600</u>	<u>\$ 21,400</u>	<u>\$ 159,512</u>
Capital outlay				
Total capital outlay	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total sanitation expenditures	<u><u>\$ 690,000</u></u>	<u><u>\$ 636,862</u></u>	<u><u>\$ 53,138</u></u>	<u><u>\$ 727,992</u></u>

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TOWN OF VIDALIA, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>POLICE DEPARTMENT</u>				
Personal services				
Salaries and wages	\$ 1,330,000	\$ 1,307,564	\$ 22,436	\$ 1,419,884
Insurance	215,000	222,200	(7,200)	184,264
Employee benefits	360,000	408,044	(48,044)	388,854
Total personal services	\$ 1,905,000	\$ 1,937,808	\$ (32,808)	\$ 1,993,002
Materials and supplies				
Office supplies	\$ 25,000	\$ 25,223	\$ (223)	\$ 14,225
Operating supplies	160,000	123,219	36,781	90,566
Repair and maintenance supplies	67,000	71,511	(4,511)	78,277
Total materials and supplies	\$ 252,000	\$ 219,953	\$ 32,047	\$ 183,068
Other services and charges				
Professional fees	\$ 35,000	\$ 27,558	\$ 7,442	\$ 23,241
Communications	10,000	10,375	(375)	16,531
Travel and seminar	40,000	37,599	2,401	4,882
Advertising	2,000	2,060	(60)	4,755
Dues and subscriptions	40,000	4,505	35,495	1,152
Insurance	31,000	34,040	(3,040)	36,654
Utility service	25,000	27,671	(2,671)	20,137
Repairs and maintenance	15,000	6,632	8,368	2,822
Landfill fees and rentals	-	7,777	(7,777)	2,880
Total other services and charges	\$ 198,000	\$ 158,217	\$ 39,783	\$ 113,054
Capital outlay				
Machinery and equipment	\$ 12,500	\$ -	\$ 12,500	\$ 164,614
Total capital outlay	\$ 12,500	\$ -	\$ 12,500	\$ 164,614
Total police expenditures	\$ 2,367,500	\$ 2,315,978	\$ 51,522	\$ 2,453,738

-continued-

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>FIRE DEPARTMENT</u>				
Personal services				
Salaries and wages	\$ 600,000	\$ 597,093	\$ 2,907	\$ 511,868
Insurance	125,000	131,104	(6,104)	104,360
Employee benefits	200,000	198,049	1,951	209,656
Total personal services	\$ 925,000	\$ 926,246	\$ (1,246)	\$ 825,884
Materials and supplies				
Office supplies	\$ 2,000	\$ 3,495	\$ (1,495)	\$ 3,406
Operating supplies	36,000	4,553	31,447	9,083
Repair and maintenance supplies	60,000	61,941	(1,941)	44,503
Total materials and supplies	\$ 98,000	\$ 69,989	\$ 28,011	\$ 56,992
Other services and charges				
Professional fees	\$ 1,000	\$ 1,131	\$ (131)	\$ 214
Communications	25,000	2,222	22,778	1,673
Travel and seminar	-	-	-	2,410
Advertising	-	7,453	(7,453)	3,034
Dues and subscriptions	3,250	3,060	190	3,700
Utility service	9,000	10,459	(1,459)	7,597
Repairs and maintenance	10,000	2,074	7,926	1,723
Total other services and charges	\$ 48,250	\$ 26,399	\$ 21,851	\$ 20,351
Capital outlay				
Machinery and equipment	\$ 6,000	\$ 246,266	\$ (240,266)	\$ -
Total capital outlay	\$ 6,000	\$ 246,266	\$ (240,266)	\$ -
Total fire expenditures	\$ 1,077,250	\$ 1,268,900	\$ (191,650)	\$ 903,227

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TOWN OF VIDALIA, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>TOWN COURT</u>				
Personal services				
Salaries and wages	\$ 125,000	\$ 131,191	\$ (6,191)	\$ 120,809
Insurance	25,000	24,726	274	22,252
Employee benefits	15,000	14,012	988	12,928
Total personal services	\$ 165,000	\$ 169,929	\$ (4,929)	\$ 155,989
Materials and supplies				
Operating supplies	\$ 500	\$ 74	\$ 426	\$ 349
Repair and maintenance supplies	500	394	106	64
Total materials and supplies	\$ 1,000	\$ 468	\$ 532	\$ 413
Other services and charges				
Communications	\$ 2,000	\$ 1,725	\$ 275	\$ 1,346
Insurance	-	94	(94)	128
Utility service	10,000	8,895	1,105	2,913
Repairs and maintenance	1,000	1,780	(780)	1,230
Landfill fees and rentals	-	723	(723)	250
Total other services and charges	\$ 13,000	\$ 13,217	\$ (217)	\$ 5,867
Capital outlay				
Total capital outlay	\$ -	\$ -	\$ -	\$ -
Total town court expenditures	\$ 179,000	\$ 183,614	\$ (4,614)	\$ 162,269

-continued-

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>MECHANIC SHOP</u>				
Personal services				
Salaries and wages	\$ 205,000	\$ 199,069	\$ 5,931	\$ 185,793
Insurance	36,000	35,614	386	29,245
Employee benefits	37,000	31,818	5,182	30,628
Total personal services	\$ 278,000	\$ 266,501	\$ 11,499	\$ 245,666
Materials and supplies				
Office supplies	\$ 500	\$ 362	\$ 138	\$ 102
Operating supplies	15,000	9,302	5,698	8,288
Repair and maintenance supplies	12,000	7,343	4,657	3,942
Total materials and supplies	\$ 27,500	\$ 17,007	\$ 10,493	\$ 12,332
Other services and charges				
Professional fees	\$ -	\$ 30	\$ (30)	\$ 1,530
Utility service	6,000	5,719	281	5,164
Repairs and maintenance	3,000	3,443	(443)	1,693
Total other services and charges	\$ 9,000	\$ 9,192	\$ (192)	\$ 8,387
Capital outlay				
Total capital outlay	\$ -	\$ -	\$ -	\$ -
Total mechanic shop expenditures	\$ 314,500	\$ 292,700	\$ 21,800	\$ 266,385

-continued-

TOWN OF VIDALIA, LOUISIANA

GENERAL FUND

STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	<u>Budget</u>	<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
Total expenditures - all departments	<u>\$ 7,971,500</u>	<u>\$ 7,681,141</u>	<u>\$ 290,359</u>	<u>\$ 7,365,607</u>

See Independent Auditor's Report.

SPECIAL REVENUE FUNDS**MAJOR FUND****Hydro Royalty Fund**

To account for the revenues and expenditures of the Hydroelectric project.

NONMAJOR FUNDS**Sales Tax Fund**

To account for the collection and expenditure of sales tax revenues as provided by ordinance.

Ambulance Fund

To account for the collection and expenditure of sales tax dedicated for the purpose of providing the community with ambulance service.

Town Court Fund

To account for the operations of the Court as required by Louisiana Revised Statute and to facilitate control over receipts and payment of expenses connected with collection of revenue. Town Marshall's balances and transactions are accounted for in this Fund. Excess revenue is available for transfer to General Fund.

Hotel Occupancy Fund

To account for tax collected from the room occupancy of the Town's motels/hotels.

TOWN OF VIDALIA, LOUISIANA

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2012

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2011

	Major Fund	Nonmajor Funds				Totals	
	Hydro Royalty Fund	Sales Tax Fund	Ambulance Fund	Town Court Fund	Hotel Occupancy Fund	2012	2011
<u>ASSETS</u>							
Cash and cash equivalents	\$ 2,424,258	\$ 1,342,509	\$ 12,063	\$ 292,748	\$ 222,673	\$ 4,294,251	\$ 4,492,155
Temporary investments - time deposits	1,234,598	-	-	-	-	1,234,598	1,841,316
Receivables (net of allowance for uncollectibles)	2,640	188,841	47,210	24,802	-	263,493	254,300
Due from other agencies	3,304,662	-	-	-	-	3,304,662	5,264,816
Due from other funds	-	-	510,578	-	-	510,578	1,493,083
Total assets	\$ 6,966,158	\$ 1,531,350	\$ 569,851	\$ 317,550	\$ 222,673	\$ 9,607,582	\$ 13,345,670
<u>LIABILITIES AND FUND BALANCE</u>							
Liabilities:							
Accounts payable	\$ 423,325	\$ 67,743	\$ 30,672	\$ -	\$ -	\$ 521,740	\$ 1,390,961
Accrued liabilities	-	-	58,339	-	-	58,339	48,529
Due to other funds	-	510,578	-	-	-	510,578	435,212
Other liabilities	-	-	-	10,947	-	10,947	16,476
Total liabilities	\$ 423,325	\$ 578,321	\$ 89,011	\$ 10,947	\$ -	\$ 1,101,604	\$ 1,891,178
Fund balances:							
Restricted	\$ 2,240,000	\$ -	\$ -	\$ -	\$ -	\$ 2,240,000	\$ 2,240,000
Unassigned	4,302,833	953,029	480,840	306,603	222,673	6,265,978	9,214,492
Total fund balances	\$ 6,542,833	\$ 953,029	\$ 480,840	\$ 306,603	\$ 222,673	\$ 8,505,978	\$ 11,454,492
Total liabilities and fund balances	\$ 6,966,158	\$ 1,531,350	\$ 569,851	\$ 317,550	\$ 222,673	\$ 9,607,582	\$ 13,345,670

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2011

	Major Funds	Nonmajor Funds				Totals	
	Hydro Royalty Fund	Sales Tax Fund	Ambulance Fund	Town Court Fund	Hotel Occupancy Fund	2012	2011
<u>REVENUES</u>							
Taxes	\$ -	\$ 2,066,860	\$ 522,013	\$ -	\$ 98,207	\$ 2,687,080	\$ 2,543,146
Intergovernmental revenues	-	-	47,817	-	-	47,817	48,048
Charges for services	2,376,621	-	31,859	-	-	2,408,480	2,537,667
Other	14,089,435	5,561	216	155,202	-	14,250,414	14,796,920
Total revenues	\$ 16,466,056	\$ 2,072,421	\$ 601,905	\$ 155,202	\$ 98,207	\$ 19,393,791	\$ 19,925,781
<u>EXPENDITURES</u>							
Current:							
General government	\$ 11,473,180	\$ 56,959	\$ -	\$ 190,657	\$ 4,855	\$ 11,725,651	\$ 12,207,942
Public safety	-	-	606,814	-	-	606,814	598,120
Ambulance	-	-	-	-	-	-	-
Total expenditures	\$ 11,473,180	\$ 56,959	\$ 606,814	\$ 190,657	\$ 4,855	\$ 12,332,465	\$ 12,806,062
Excess of revenues (expenditures)	\$ 4,992,876	\$ 2,015,462	\$ (4,909)	\$ (35,455)	\$ 93,352	\$ 7,061,326	\$ 7,119,719
<u>OPERATING TRANSFERS</u>							
Transfers - in	-	-	170,545	1,755	-	172,300	-
Transfers - out	(5,325,176)	(4,856,964)	-	-	-	(10,182,140)	(7,959,935)
Excess of revenues and transfers - in (expenditures and transfers - out)	\$ (332,300)	\$ (2,841,502)	\$ 165,636	\$ (33,700)	\$ 93,352	\$ (2,948,514)	\$ (840,216)
FUND BALANCE - BEGINNING	6,875,133	3,794,531	315,204	340,303	129,321	11,454,492	12,294,708
FUND BALANCE - ENDING	\$ 6,542,833	\$ 953,029	\$ 480,840	\$ 306,603	\$ 222,673	\$ 8,505,978	\$ 11,454,492

TOWN OF VIDALIA, LOUISIANA

SPECIAL REVENUE FUND
HYDRO ROYALTY FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Charges for services	\$ 3,100,000	\$ 2,376,621	\$ (723,379)	\$ 2,502,097
Other	11,500,000	14,089,435	2,589,435	14,359,924
Total revenues	\$ 14,600,000	\$ 16,466,056	\$ 1,866,056	\$ 16,862,021
<u>EXPENDITURES</u>				
Current				
Other services and charges	\$ 10,000,000	\$ 11,473,180	\$ (1,473,180)	\$ 11,826,450
Total expenditures	\$ 10,000,000	\$ 11,473,180	\$ (1,473,180)	\$ 11,826,450
Excess of revenues before operating transfers	\$ 4,600,000	\$ 4,992,876	\$ 392,876	\$ 5,035,571
<u>OPERATING TRANSFERS</u>				
Transfers - out	(6,353,000)	(5,325,176)	1,027,824	(7,139,846)
Excess of revenues (expenditures and transfers out)	\$ (1,753,000)	\$ (332,300)	\$ 1,420,700	\$ (2,104,275)
<u>FUND BALANCE - BEGINNING</u>	6,875,133	6,875,133	-	8,979,408
<u>FUND BALANCE - ENDING</u>	\$ 5,122,133	\$ 6,542,833	\$ 1,420,700	\$ 6,875,133

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

SPECIAL REVENUE FUND
SALES TAX FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Taxes	\$ 2,375,000	\$ 2,066,860	\$ (308,140)	\$ 1,939,272
Other	10,000	5,561	(4,439)	7,424
Total revenues	\$ 2,385,000	\$ 2,072,421	\$ (312,579)	\$ 1,946,696
<u>EXPENDITURES</u>				
Current				
Capital outlay	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Other services and charges	60,000	56,959	3,041	42,835
Total expenditures	\$ 1,060,000	\$ 56,959	\$ 1,003,041	\$ 42,835
Excess of revenues before operating transfers	\$ 1,325,000	\$ 2,015,462	\$ 690,462	\$ 1,903,861
<u>OPERATING TRANSFERS</u>				
Transfers - out	(1,815,000)	(4,856,964)	(3,041,964)	(493,458)
Excess of revenues (expenditures and transfers out)	\$ (490,000)	\$ (2,841,502)	\$ (2,351,502)	\$ 1,410,403
<u>FUND BALANCE - BEGINNING</u>	3,794,531	3,794,531	-	2,384,128
<u>FUND BALANCE - ENDING</u>	\$ 3,304,531	\$ 953,029	\$ (2,351,502)	\$ 3,794,531

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

SPECIAL REVENUE FUND
AMBULANCE FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Taxes	\$ -	\$ 522,013	\$ 522,013	\$ 480,167
Intergovernmental	50,000	47,817	(2,183)	48,048
Charges for services	185,000	31,859	(153,141)	35,570
Other	3,000	216	(2,784)	379
Total revenues	\$ 238,000	\$ 601,905	\$ 363,905	\$ 564,164
<u>EXPENDITURES</u>				
Current				
Personal services	\$ 426,500	\$ 563,521	\$ (137,021)	\$ 562,961
Materials and supplies	5,500	1,797	3,703	1,376
Other services and charges	45,500	41,496	4,004	33,783
Total expenditures	\$ 477,500	\$ 606,814	\$ (129,314)	\$ 598,120
Excess (deficit) of revenues before operating transfers	\$ (239,500)	\$ (4,909)	\$ 234,591	\$ (33,956)
<u>OPERATING TRANSFERS</u>				
Transfers - in	440,000	170,545	(269,455)	-
Excess of revenues (expenditures and transfers out)	\$ 200,500	\$ 165,636	\$ (34,864)	\$ (33,956)
<u>FUND BALANCE - BEGINNING</u>	315,204	315,204	-	349,160
<u>FUND BALANCE - ENDING</u>	\$ 515,704	\$ 480,840	\$ (34,864)	\$ 315,204

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

SPECIAL REVENUE FUND
TOWN COURT FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	<u>Budget</u>	<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
<u>REVENUES</u>				
Other	\$ 145,000	\$ 155,202	\$ 10,202	\$ 429,193
Total revenues	\$ 145,000	\$ 155,202	\$ 10,202	\$ 429,193
<u>EXPENDITURES</u>				
Current				
Other services and charges	\$ 145,000	\$ 190,657	\$ (45,657)	\$ 332,471
Total expenditures	\$ 145,000	\$ 190,657	\$ (45,657)	\$ 332,471
Excess of revenues before operating transfers	\$ -	\$ (35,455)	\$ (35,455)	\$ 96,722
<u>OPERATING TRANSFERS</u>				
Transfers - in	-	1,755	1,755	-
Excess of revenues (expenditures and transfers out)	\$ -	\$ (33,700)	\$ (33,700)	\$ 96,722
<u>FUND BALANCE - BEGINNING</u>	340,303	340,303	-	243,581
<u>FUND BALANCE - ENDING</u>	\$ 340,303	\$ 306,603	\$ (33,700)	\$ 340,303

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

SPECIAL REVENUE FUND
HOTEL OCCUPANCY FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Taxes	\$ 100,000	\$ 98,207	\$ (1,793)	\$ 123,707
Total revenues	\$ 100,000	\$ 98,207	\$ (1,793)	\$ 123,707
<u>EXPENDITURES</u>				
Current				
Materials and supplies	\$ 5,000	\$ 4,855	\$ 145	\$ 6,186
Total expenditures	\$ 5,000	\$ 4,855	\$ 145	\$ 6,186
Excess of revenues before operating transfers	\$ 95,000	\$ 93,352	\$ (1,648)	\$ 117,521
<u>OPERATING TRANSFERS</u>				
Transfers - out	-	-	-	(326,631)
Excess of revenues (expenditures and transfers out)	\$ 95,000	\$ 93,352	\$ (1,648)	\$ (209,110)
<u>FUND BALANCE - BEGINNING</u>	-	129,321	(129,321)	338,431
<u>FUND BALANCE - ENDING</u>	\$ 95,000	\$ 222,673	\$ (130,969)	\$ 129,321

See Independent Auditor's Report.

DEBT SERVICE FUNDS**NONMAJOR FUNDS****Sales Tax Bonds Sinking and Reserve Funds*****Sales Tax Bonds Sinking Fund***

To accumulate monies for the payment of the Sales Tax Bonds dated December 1, 1999, in the amount of \$3,310,000, and to accumulate monies for the payment of the Sales Tax Bonds dated June 1, 2000, in the amount of \$3,535,000. Financing to be provided by a special 1% sales tax.

Sales Tax Bonds Reserve Fund

To accumulate monies as required by ST-1999 and ST-2000 Bond Ordinances for Payment of Bonds and Coupons in the event adequate amounts are not available in the Sinking Fund.

TOWN OF VIDALIA, LOUISIANA

DEBT SERVICE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2012

WITH COMPARATIVE TOTALS FOR JUNE 30, 2011

	Nonmajor Funds		Totals	
	Sales Tax Bonds Sinking Fund	Sales Tax Bonds Reserve Fund	2012	2011
<u>ASSETS</u>				
Cash	\$ 505,362	\$ -	\$ 505,362	\$ 459,014
Receivable	3	-	3	3
Total assets	<u>\$ 505,365</u>	<u>\$ -</u>	<u>\$ 505,365</u>	<u>\$ 459,017</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance				
Available for debt service	\$ 505,365	\$ -	\$ 505,365	\$ 459,017
Total fund balance	<u>\$ 505,365</u>	<u>\$ -</u>	<u>\$ 505,365</u>	<u>\$ 459,017</u>
Total liabilities and fund balance	<u>\$ 505,365</u>	<u>\$ -</u>	<u>\$ 505,365</u>	<u>\$ 459,017</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE TOTALS FOR JUNE 30, 2011

	Nonmajor Funds		Totals	
	Sales Tax Bonds Sinking Fund	Sales Tax Bonds Reserve Fund	2012	2011
<u>REVENUES</u>				
Interest earned on investments	\$ -	\$ -	\$ -	\$ -
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>				
Debt service				
Principal	\$ 384,000	\$ -	\$ 384,000	\$ 373,000
Interest and fiscal fees	135,853	-	135,853	147,720
Total expenditures	\$ 519,853	\$ -	\$ 519,853	\$ 520,720
Excess of revenues (expenditures)	\$ (519,853)	\$ -	\$ (519,853)	\$ (520,720)
<u>OPERATING TRANSFERS</u>				
Transfers - in	566,201	-	566,201	493,458
Excess of revenues and transfers - in (expenditures and transfers - out)	\$ 46,348	\$ -	\$ 46,348	\$ (27,262)
<u>FUND BALANCE - BEGINNING</u>	459,017	-	459,017	486,279
<u>FUND BALANCE - ENDING</u>	\$ 505,365	\$ -	\$ 505,365	\$ 459,017

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

DEBT SERVICE FUNDS
SALES TAX BONDS SINKING FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Interest earned on investments	\$ 7,500	\$ -	\$ (7,500)	\$ -
Total revenues	\$ 7,500	\$ -	\$ (7,500)	\$ -
<u>EXPENDITURES</u>				
Debt service				
Principal	\$ 385,000	\$ 384,000	\$ 1,000	\$ 373,000
Interest and fiscal fees	135,000	135,853	(853)	147,720
Total expenditures	\$ 520,000	\$ 519,853	\$ 147	\$ 520,720
Excess of revenues before operating transfers	\$ (512,500)	\$ (519,853)	\$ (7,353)	\$ (520,720)
<u>OPERATING TRANSFERS</u>				
Transfers - in	603,000	566,201	(36,799)	493,458
Excess of revenues (expenditures and transfers out)	\$ 90,500	\$ 46,348	\$ (44,152)	\$ (27,262)
<u>FUND BALANCE - BEGINNING</u>	459,017	459,017	-	486,279
<u>FUND BALANCE - ENDING</u>	\$ 549,517	\$ 505,365	\$ (44,152)	\$ 459,017

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

DEBT SERVICE FUNDS
SALES TAX BONDS RESERVE FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Interest earned on investments	\$ 15,250	\$ -	\$ (15,250)	\$ -
Total revenues	\$ 15,250	\$ -	\$ (15,250)	\$ -
<u>EXPENDITURES</u>				
General government	\$ -	\$ -	\$ -	\$ -
Total expenditures	\$ -	\$ -	\$ -	\$ -
Excess of revenues before operating transfers	\$ 15,250	\$ -	\$ (15,250)	\$ -
<u>OPERATING TRANSFERS</u>				
Transfers - in	-	-	-	-
Transfers - out	-	-	-	-
Excess of revenues (expenditures and transfers out)	\$ 15,250	\$ -	\$ (15,250)	\$ -
<u>FUND BALANCE - BEGINNING</u>	-	-	-	-
<u>FUND BALANCE - ENDING</u>	\$ 15,250	\$ -	\$ (15,250)	\$ -

See Independent Auditor's Report.

CAPITAL PROJECTS FUNDS

MAJOR FUND

Municipal Complex Fund

To account for the financing and construction of the Town's new municipal complex, which will house the administrative, police, and fire functions. General obligation bond anticipation notes are providing financing in the interim. Once construction is complete, these notes will be converted to revenue bonds.

NONMAJOR FUND

Roadway Improvement Fund

To account for the financing and construction as well as continuing improvements to be made to the Town's roads. General revenues will provide financing.

Port Access Fund

To account for various improvements, including the development of the port, its access and surrounding areas. Funding will be provided from federal sources along with Town matching requirements.

Polk Park Fund

To account for the financing and construction as well as continuing improvements to be made to the Town's Dr. William T. Polk Park. General revenues, for the Town's matching requirements, and federal grants provide financing.

LCDBG Public Facilities Program and Evacuation Center Fund

To account for the grants received for fiscal year 2009 for capital projects including the Conference and Convention Center and developments in the Vidalia Industrial Park.

Industrial Park Fund

To account for the financing and construction as well as continuing improvements to be made to the Town's industrial park complex. General revenues, federal, and state grants provide financing.

Louisiana Home Finance Agency (LHFA) Fund

To account for the revenues and expenditures related to the Housing Rehabilitation Project. Funds to be provided by a federal grant through the LHFA.

TOWN OF VIDALIA, LOUISIANA

**CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2012

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2011

	Major Fund	Nonmajor Funds					Totals	
	Municipal Complex Fund	Roadway Improvement Fund	Port Access Fund	LCDBG Fund	Industrial Park Fund	Evacuation Center Fund	2012	2011
<u>ASSETS</u>								
Cash	\$ 1,846	\$ -	\$ 100	\$ 1	\$ 88,872	\$ 44,026	\$ 134,845	\$ 727,335
Due from other agencies	-	-	5,030	-	-	-	5,030	70,809
Due from other funds	-	-	-	-	-	-	-	252,034
Total assets	<u>\$ 1,846</u>	<u>\$ -</u>	<u>\$ 5,130</u>	<u>\$ 1</u>	<u>\$ 88,872</u>	<u>\$ 44,026</u>	<u>\$ 139,875</u>	<u>\$ 1,050,178</u>
<u>LIABILITIES AND FUND BALANCE</u>								
Liabilities:								
Accounts payable	\$ 14,200	\$ 40,727	\$ 5,030	\$ -	\$ 31,312	\$ -	\$ 91,269	\$ 806,998
Accrued liabilities	-	-	-	-	1,993	-	1,993	688
Due to other funds	-	-	-	-	-	-	-	311,351
Total liabilities	<u>\$ 14,200</u>	<u>\$ 40,727</u>	<u>\$ 5,030</u>	<u>\$ -</u>	<u>\$ 33,305</u>	<u>\$ -</u>	<u>\$ 93,262</u>	<u>\$ 1,119,037</u>
Fund balance	<u>\$ (12,354)</u>	<u>\$ (40,727)</u>	<u>\$ 100</u>	<u>\$ 1</u>	<u>\$ 55,567</u>	<u>\$ 44,026</u>	<u>\$ 46,613</u>	<u>\$ (68,859)</u>
Total liabilities and fund balances	<u>\$ 1,846</u>	<u>\$ -</u>	<u>\$ 5,130</u>	<u>\$ 1</u>	<u>\$ 88,872</u>	<u>\$ 44,026</u>	<u>\$ 139,875</u>	<u>\$ 1,050,178</u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2011

	Major Fund	Nonmajor Funds							Totals	
	Municipal Complex Fund	Roadway Fund	Port Access Fund	Polk Park Fund	LCDBG Fund	Industrial Park Fund	LHFA Fund	Evacuation Center Fund	2012	2011
REVENUES										
Intergovernmental	\$ -	\$ -	\$ 924,870	\$ -	\$ -	\$ 58,631	\$ -	\$ -	\$ 983,501	\$ 361,006
Other	-	-	-	-	-	200,165	-	110	200,275	54,949
Issuance of debt	3,280,155	-	-	-	-	-	-	-	3,280,155	3,477,291
Total revenues	\$ 3,280,155	\$ -	\$ 924,870	\$ -	\$ -	\$ 258,796	\$ -	\$ 110	\$ 4,463,931	\$ 3,893,246
EXPENDITURES										
Current										
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,359	\$ -	\$ -	\$ 95,359	\$ 91,421
Other services and charges	-	-	-	-	-	184,455	-	-	184,455	159,848
Capital outlay										
Other improvements	3,080,437	1,096,536	1,154,830	471,196	-	-	-	-	5,802,999	4,225,239
Total expenditures	\$ 3,080,437	\$ 1,096,536	\$ 1,154,830	\$ 471,196	\$ -	\$ 279,814	\$ -	\$ -	\$ 6,082,813	\$ 4,476,508
Excess of revenues (expenditures)	\$ 199,718	\$ (1,096,536)	\$ (229,960)	\$ (471,196)	\$ -	\$ (21,018)	\$ -	\$ 110	\$ (1,618,882)	\$ (583,262)
OPERATING TRANSFERS										
Net Transfers - in (out)	36,937	1,055,809	230,060	471,196	-	(40,782)	(18,866)	-	1,734,354	461,146
Excess of revenues and transfers in (expenditures and transfers out)	\$ 236,655	\$ (40,727)	\$ 100	\$ -	\$ -	\$ (61,800)	\$ (18,866)	\$ 110	\$ 115,472	\$ (122,116)
FUND BALANCE - BEGINNING	(249,009)	-	-	-	1	117,367	18,866	43,916	(68,859)	53,257
FUND BALANCE - ENDING	\$ (12,354)	\$ (40,727)	\$ 100	\$ -	\$ 1	\$ 55,567	\$ -	\$ 44,026	\$ 46,613	\$ (68,859)

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
MUNICIPAL COMPLEX FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Issuance of debt	\$ 3,275,000	\$ 3,280,155	\$ 5,155	\$ 3,477,291
Total revenues	\$ 3,275,000	\$ 3,280,155	\$ 5,155	\$ 3,477,291
<u>EXPENDITURES</u>				
Capital outlay				
Other improvements	\$ 3,100,000	\$ 3,080,437	\$ 19,563	\$ 3,934,147
Total expenditures	\$ 3,100,000	\$ 3,080,437	\$ 19,563	\$ 3,934,147
Excess of revenues before operating transfers	\$ 175,000	\$ 199,718	\$ 24,718	\$ (456,856)
<u>OPERATING TRANSFERS</u>				
Transfers - in	-	36,937	36,937	207,847
Excess of revenues (expenditures and transfers out)	\$ 175,000	\$ 236,655	\$ 61,655	\$ (249,009)
<u>FUND BALANCE - BEGINNING</u>	(249,009)	(249,009)	-	-
<u>FUND BALANCE - ENDING</u>	\$ (74,009)	\$ (12,354)	\$ 61,655	\$ (249,009)

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
INDUSTRIAL PARK FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Intergovernmental	\$ 109,000	\$ 58,631	\$ (50,369)	\$ 58,631
Other	150,000	200,165	50,165	13,194
Total revenues	\$ 259,000	\$ 258,796	\$ (204)	\$ 71,825
<u>EXPENDITURES</u>				
Current				
Personal services	\$ 109,000	\$ 95,359	\$ 13,641	\$ 91,421
Other services and charges	164,000	184,455	(20,455)	122,488
Total expenditures	\$ 273,000	\$ 279,814	\$ (6,814)	\$ 213,909
Excess of revenues before operating transfers	\$ (14,000)	\$ (21,018)	\$ (7,018)	\$ (142,084)
<u>OPERATING TRANSFERS</u>				
Net transfers - in (out)	(100,000)	(40,782)	59,218	250,000
Excess of revenues (expenditures and transfers out)	\$ (114,000)	\$ (61,800)	\$ 52,200	\$ 107,916
<u>FUND BALANCE - BEGINNING</u>	117,367	117,367	-	9,451
<u>FUND BALANCE - ENDING</u>	\$ 3,367	\$ 55,567	\$ 52,200	\$ 117,367

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
ROADWAY IMPROVEMENT FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>				
Capital outlay				
Other improvements	\$ -	\$ 1,096,536	\$ (1,096,536)	\$ -
Total expenditures	\$ -	\$ 1,096,536	\$ (1,096,536)	\$ -
Excess of revenues before operating transfers	\$ -	\$ (1,096,536)	\$ (1,096,536)	\$ -
<u>OPERATING TRANSFERS</u>				
Transfers - in	-	1,055,809	1,055,809	-
Excess of revenues (expenditures and transfers out)	\$ -	\$ (40,727)	\$ (40,727)	\$ -
<u>FUND BALANCE - BEGINNING</u>	-	-	-	-
<u>FUND BALANCE - ENDING</u>	\$ -	\$ (40,727)	\$ (40,727)	\$ -

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
PORT ACCESS FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Intergovernmental	\$ 920,000	\$ 924,870	\$ 4,870	\$ -
Total revenues	\$ 920,000	\$ 924,870	\$ 4,870	\$ -
<u>EXPENDITURES</u>				
Capital outlay				
Other improvements	\$ 1,150,000	\$ 1,154,830	\$ (4,830)	\$ -
Total expenditures	\$ 1,150,000	\$ 1,154,830	\$ (4,830)	\$ -
Excess of revenues before operating transfers	\$ (230,000)	\$ (229,960)	\$ 40	\$ -
<u>OPERATING TRANSFERS</u>				
Net transfers - in	230,000	230,060	60	-
Excess of revenues (expenditures and transfers out)	\$ -	\$ 100	\$ 100	\$ -
<u>FUND BALANCE - BEGINNING</u>	-	-	-	-
<u>FUND BALANCE - ENDING</u>	\$ -	\$ 100	\$ 100	\$ -

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
POLK PARK FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	<u>Budget</u>	<u>2012 Actual</u>	<u>Variance</u>	<u>2011 Actual</u>
<u>REVENUES</u>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>				
Capital outlay				
Other improvements	\$ -	\$ 471,196	\$ (471,196)	\$ -
Total expenditures	\$ -	\$ 471,196	\$ (471,196)	\$ -
Excess of revenues before operating transfers	\$ -	\$ (471,196)	\$ (471,196)	\$ -
<u>OPERATING TRANSFERS</u>				
Transfers - in		471,196	471,196	-
Excess of revenues (expenditures and transfers out)	\$ -	\$ -	\$ -	\$ -
<u>FUND BALANCE - BEGINNING</u>	-	-	-	-
<u>FUND BALANCE - ENDING</u>	\$ -	\$ -	\$ -	\$ -

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
LCDBG FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Intergovernmental	\$ 421,000	\$ -	\$ (421,000)	\$ -
Other	-	-	-	1
Total revenues	\$ 421,000	\$ -	\$ (421,000)	\$ 1
<u>EXPENDITURES</u>				
Capital outlay				
Other improvements	\$ 421,000	\$ -	\$ 421,000	\$ -
Total expenditures	\$ 421,000	\$ -	\$ 421,000	\$ -
Excess of revenues before operating transfers	\$ -	\$ -	\$ -	\$ 1
<u>OPERATING TRANSFERS</u>				
Transfers - out	-	-	-	-
Excess of revenues (expenditures and transfers out)	\$ -	\$ -	\$ -	\$ 1
<u>FUND BALANCE - BEGINNING</u>	-	1	(1)	-
<u>FUND BALANCE - ENDING</u>	\$ -	\$ 1	\$ (1)	\$ 1

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
LOUISIANA HOUSING FINANCE AGENCY (LHFA) FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ 302,375
Other	-	-	-	41,644
Total revenues	\$ -	\$ -	\$ -	\$ 344,019
<u>EXPENDITURES</u>				
Current				
Other services and charges	\$ -	\$ -	\$ -	\$ 37,360
Capital outlay				
Other improvements	-	-	-	291,092
Total expenditures	\$ -	\$ -	\$ -	\$ 328,452
Excess of revenues before operating transfers	\$ -	\$ -	\$ -	\$ 15,567
<u>OPERATING TRANSFERS</u>				
Transfers - in (out)	-	(18,866)	(18,866)	3,299
Excess of revenues (expenditures and transfers out)	\$ -	\$ (18,866)	\$ (18,866)	\$ 18,866
<u>FUND BALANCE - BEGINNING</u>	-	18,866	(18,866)	-
<u>FUND BALANCE - ENDING</u>	\$ -	\$ -	\$ (37,732)	\$ 18,866

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

CAPITAL PROJECTS FUNDS
EVACUATION CENTER FUNDSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL

YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2011

	Budget	2012 Actual	Variance	2011 Actual
<u>REVENUES</u>				
Other	\$ -	\$ 110	\$ 110	\$ 110
Total revenues	\$ -	\$ 110	\$ 110	\$ 110
<u>EXPENDITURES</u>				
Total expenditures	\$ -	\$ -	\$ -	\$ -
Excess of revenues before operating transfers	\$ -	\$ 110	\$ 110	\$ 110
<u>OPERATING TRANSFERS</u>				
Transfers - in	-	-	-	-
Excess of revenues (expenditures and transfers out)	\$ -	\$ 110	\$ 110	\$ 110
<u>FUND BALANCE - BEGINNING</u>	43,916	43,916	-	43,806
<u>FUND BALANCE - ENDING</u>	\$ 43,916	\$ 44,026	\$ 110	\$ 43,916

See Independent Auditor's Report.

ENTERPRISE FUNDS

Utility Fund

To account for the provision of gas, electric, and water utilities as well as sewer services to residents of the Town and some residents of the Parish. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Riverfront Development Fund

To account for the collection and expenditures of revenues earned from the rental of the Town's Conference and Convention Center and other riverfront properties.

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2012 AND 2011

	Major Funds		Totals	
	Utility Fund	Riverfront Development Fund	2012	2011
<u>ASSETS</u>				
Current assets				
Cash	\$ -	\$ 506,326	\$ 506,326	\$ 186,002
Accounts receivable, net of allowance for uncollectibles (2012 - \$3,244 and 2011 - \$5,288)	1,295,007	-	1,295,007	1,286,196
Due from other governments	-	-	-	1,202,694
Due from other funds	-	-	-	498,201
Total current assets	<u>\$ 1,295,007</u>	<u>\$ 506,326</u>	<u>\$ 1,801,333</u>	<u>\$ 3,173,093</u>
Restricted assets				
Consumer deposits - cash	<u>\$ 229,922</u>	<u>\$ -</u>	<u>\$ 229,922</u>	<u>\$ 305,431</u>
Property, plant, and equipment	\$ 20,719,150	\$ 7,329,833	\$ 28,048,983	\$ 27,059,338
Less accumulated depreciation	<u>(8,552,316)</u>	<u>(756,899)</u>	<u>(9,309,215)</u>	<u>(8,820,370)</u>
Net property, plant, and equipment	<u>\$ 12,166,834</u>	<u>\$ 6,572,934</u>	<u>\$ 18,739,768</u>	<u>\$ 18,238,968</u>
Total assets	<u><u>\$ 13,691,763</u></u>	<u><u>\$ 7,079,260</u></u>	<u><u>\$ 20,771,023</u></u>	<u><u>\$ 21,717,492</u></u>
<u>LIABILITIES AND NET ASSETS</u>				
Current liabilities (payable from current assets)				
Accounts payable	\$ 1,386,116	\$ 74,461	\$ 1,460,577	\$ 1,894,551
Accrued liabilities	291,006	43,414	334,420	130,951
Due to other funds	<u>336,272</u>	<u>-</u>	<u>336,272</u>	<u>1,010,515</u>
Total current liabilities (payable from current assets)	<u>\$ 2,013,394</u>	<u>\$ 117,875</u>	<u>\$ 2,131,269</u>	<u>\$ 3,036,017</u>
Current liabilities (payable from restricted assets)				
Consumer deposits	<u>\$ 324,836</u>	<u>\$ -</u>	<u>\$ 324,836</u>	<u>\$ 305,431</u>
Total current liabilities (payable from restricted assets)	<u>\$ 324,836</u>	<u>\$ -</u>	<u>\$ 324,836</u>	<u>\$ 305,431</u>
Total liabilities	<u>\$ 2,338,230</u>	<u>\$ 117,875</u>	<u>\$ 2,456,105</u>	<u>\$ 3,341,448</u>
Net assets				
Invested in capital assets, net	\$ 12,166,834	\$ 6,572,934	\$ 18,739,768	\$ 18,238,968
Unrestricted	<u>(813,301)</u>	<u>388,451</u>	<u>(424,850)</u>	<u>137,076</u>
Total net assets	<u>\$ 11,353,533</u>	<u>\$ 6,961,385</u>	<u>\$ 18,314,918</u>	<u>\$ 18,376,044</u>
Total liabilities and net assets	<u><u>\$ 13,691,763</u></u>	<u><u>\$ 7,079,260</u></u>	<u><u>\$ 20,771,023</u></u>	<u><u>\$ 21,717,492</u></u>

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEARS ENDED JUNE 30, 2012 AND 2011

	Major Funds		Totals	
	Utility Fund	Riverfront Development Fund	2012	2011
<u>OPERATING REVENUES</u>				
Revenues	\$ 9,792,509	\$ 137,736	\$ 9,930,245	\$ 10,259,735
Less purchases and sales tax	(5,405,185)	-	(5,405,185)	(6,044,338)
Gross profit	\$ 4,387,324	\$ 137,736	\$ 4,525,060	\$ 4,215,397
<u>OPERATING EXPENSES</u>				
Personal services	\$ 2,122,286	\$ 536,522	\$ 2,658,808	\$ 2,701,489
Materials and supplies	833,984	100,527	934,511	1,169,931
Other services and charges	803,914	1,209,761	2,013,675	2,982,718
Depreciation	314,000	174,845	488,845	710,418
Total operating expenses	\$ 4,074,184	\$ 2,021,655	\$ 6,095,839	\$ 7,564,556
Operating revenue (loss)	\$ 313,140	\$ (1,883,919)	\$ (1,570,779)	\$ (3,349,159)
<u>NONOPERATING REVENUES</u>				
Interest income	\$ 994	\$ 512	\$ 1,506	\$ 3,462
Grants received	421,365	455,865	877,230	1,617,781
Total nonoperating revenues	\$ 422,359	\$ 456,377	\$ 878,736	\$ 1,621,243
Net income (loss) before operating transfers and contributions	\$ 735,499	\$ (1,427,542)	\$ (692,043)	\$ (1,727,916)
<u>OPERATING TRANSFERS AND CONTRIBUTIONS</u>				
Transfers - in	525,176	1,893,770	2,418,946	5,401,631
Transfers - out	(1,476,983)	(249,105)	(1,726,088)	(3,400,494)
Change in net assets	\$ (216,308)	\$ 217,123	\$ 815	\$ 273,221
<u>NET ASSETS - BEGINNING</u>	\$ 11,642,653	\$ 6,733,391	\$ 18,376,044	\$ 18,096,498
Prior period adjustments	(72,812)	10,871	(61,941)	6,325
<u>NET ASSETS - BEGINNING, AS RESTATED</u>	\$ 11,569,841	\$ 6,744,262	\$ 18,314,103	\$ 18,102,823
<u>NET ASSETS - ENDING</u>	\$ 11,353,533	\$ 6,961,385	\$ 18,314,918	\$ 18,376,044

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

YEARS ENDED JUNE 30, 2012 AND 2011

	Major Funds		Totals	
	Utility	Riverfront	2012	2011
	Fund	Development Fund		
Cash flows from operating activities				
Cash received from customers	\$ 9,803,103	\$ 137,736	\$ 9,940,839	\$ 10,252,177
Cash payments to suppliers for goods and services	(7,210,572)	(1,463,381)	(8,673,953)	(9,922,189)
Cash payments to employees for service	(2,099,319)	(531,353)	(2,630,672)	(2,673,335)
Net cash provided by (used for) operating activities	\$ 493,212	\$ (1,856,998)	\$ (1,363,786)	\$ (2,343,347)
Cash flows from noncapital financing activities				
Net change in amounts due from/to other funds	\$ 818,625	\$ (994,667)	\$ (176,042)	\$ 641,943
Transfers from other funds	525,176	1,893,770	2,418,946	5,401,631
Transfers to other funds	(1,476,983)	(249,105)	(1,726,088)	(3,400,494)
Grant proceeds	421,365	1,658,559	2,079,924	415,086
Net cash provided by noncapital financing activities	\$ 288,183	\$ 2,308,557	\$ 2,596,740	\$ 3,058,166
Cash flows from capital and related financing activities				
Purchases of fixed assets	\$ (861,983)	\$ (127,662)	\$ (989,645)	\$ (624,896)
Net cash used for capital and related financing activities	\$ (861,983)	\$ (127,662)	\$ (989,645)	\$ (624,896)
Cash flows from investing activities				
Interest on temporary investments	\$ 994	\$ 512	\$ 1,506	\$ 3,462
Net cash provided by investing activities	\$ 994	\$ 512	\$ 1,506	\$ 3,462
Net increase (decrease) in cash and cash equivalents	\$ (79,594)	\$ 324,409	\$ 244,815	\$ 93,385
Cash and cash equivalents - beginning of year	309,516	181,917	491,433	398,048
Cash and cash equivalents - end of year	\$ 229,922	\$ 506,326	\$ 736,248	\$ 491,433

-continued-

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

YEARS ENDED JUNE 30, 2012 AND 2011

	Major Funds		Totals	
	Utility	Riverfront	2012	2011
	Fund	Development Fund		
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	\$ 313,140	\$ (1,883,919)	\$ (1,570,779)	\$ (3,349,159)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	\$ 314,000	\$ 174,845	\$ 488,845	\$ 710,418
Change in assets and liabilities				
(Increase) decrease in accounts receivable	(8,811)	-	(8,811)	(28,890)
Decrease in accounts payable	(167,489)	(153,093)	(320,582)	268,512
Increase in accrued liabilities	22,967	5,169	28,136	28,156
Increase in customer deposits	19,405	-	19,405	27,616
Total adjustments	\$ 180,072	\$ 26,921	\$ 206,993	\$ 1,005,812
Net cash provided by (used for) operating activities	\$ 493,212	\$ (1,856,998)	\$ (1,363,786)	\$ (2,343,347)

See Independent Auditor's Report.

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS
UTILITY FUND

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES

YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
<u>GAS DEPARTMENT</u>		
<u>Operating Revenues</u>		
Revenues	\$ 866,099	\$ 1,073,347
Less purchases and sales tax	(324,980)	(484,769)
Gross profit	\$ 541,119	\$ 588,578
<u>Operating Expenses</u>		
Personal services		
Salaries and wages	\$ 116,402	\$ 114,834
Employee benefits	41,318	54,872
Total personal services	\$ 157,720	\$ 169,706
Materials and supplies		
Operating supplies	\$ -	\$ 281
Repair and maintenance supplies	12,433	25,243
Total materials and supplies	\$ 12,433	\$ 25,524
Other services and charges		
Professional fees	\$ 16,345	\$ 75
Advertising	395	2,100
Dues and subscriptions	-	986
Rentals	2,155	352
Bad debts	4,352	12,600
Total other services and charges	\$ 23,247	\$ 16,113
Depreciation	\$ 40,092	\$ 12,797
Total operating expenses	\$ 233,492	\$ 224,140
Operating income	\$ 307,627	\$ 364,438

-continued-

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS
UTILITY FUND

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES

YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
<u>ELECTRIC DEPARTMENT</u>		
<u>Operating Revenues</u>		
Revenues	\$ 7,858,576	\$ 7,986,269
Less purchases and sales tax	(5,080,205)	(5,559,569)
Gross profit	\$ 2,778,371	\$ 2,426,700
<u>Operating Expenses</u>		
Personal services		
Salaries and wages	\$ 753,304	\$ 734,617
Employee benefits	279,713	287,552
Total personal services	\$ 1,033,017	\$ 1,022,169
Materials and supplies		
Office supplies	\$ 5,980	\$ 5,362
Operating supplies	272,947	336,904
Repair and maintenance supplies	192,689	179,650
Total materials and supplies	\$ 471,616	\$ 521,916
Other services and charges		
Professional fees	\$ 45,565	\$ 35,192
Communications	39,821	19,358
Travel and seminar	8,323	2,470
Dues and subscriptions	3,230	777
Insurance	102,521	217,029
Utilities	16,965	19,845
Economic development	171,058	192,500
Repairs and maintenance	6,224	19,772
Rentals	17,265	10,065
Bad debts	12,257	26,566
Total other services and charges	\$ 423,229	\$ 543,574
Depreciation	\$ 151,733	\$ 198,598
Total operating expenses	\$ 2,079,595	\$ 2,286,257
Operating income	\$ 698,776	\$ 140,443

-continued-

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS
UTILITY FUND

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES

YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
<u>WATER DEPARTMENT</u>		
<u>Operating Revenues</u>		
Revenues	\$ 571,576	\$ 541,703
<u>Operating Expenses</u>		
Personal services		
Salaries and wages	\$ 309,515	\$ 318,780
Employee benefits	96,858	95,878
Total personal services	\$ 406,373	\$ 414,658
Materials and supplies		
Office supplies	\$ 1,152	\$ 1,632
Operating supplies	118,776	154,740
Repair and maintenance supplies	167,222	155,640
Total materials and supplies	\$ 287,150	\$ 312,012
Other services and charges		
Professional fees	\$ 29,391	\$ 109,957
Communications	4,229	3,602
Travel and seminar	5,179	4,030
Advertising	351	1,212
Dues and subscriptions	10,683	7,834
Utilities	117,809	110,242
Repairs and maintenance	72	5,465
Rentals	5,497	2,872
Bad debts	1,642	2,281
Total other services and charges	\$ 174,853	\$ 247,495
Depreciation	\$ 43,097	\$ 171,229
Total operating expenses	\$ 911,473	\$ 1,145,394
Operating loss	\$ (339,897)	\$ (603,691)

-continued-

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS
UTILITY FUND

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES

YEARS ENDED JUNE 30, 2012 AND 2011

	2012	2011
<u>SEWER DEPARTMENT</u>		
<u>Operating Revenues</u>		
Revenues	\$ 496,258	\$ 510,053
<u>Operating Expenses</u>		
Personal services		
Salaries and wages	\$ 2,600	\$ -
Total personal services	\$ 2,600	\$ -
Materials and supplies		
Operating supplies	\$ 22,960	\$ 16,718
Repair and maintenance supplies	39,057	109,031
Total materials and supplies	\$ 62,017	\$ 125,749
Other services and charges		
Professional fees	\$ 7,574	\$ 107,126
Utilities	172,906	169,783
Rentals	895	83
Bad debts	1,210	1,951
Total other services and charges	\$ 182,585	\$ 278,943
Depreciation	\$ 54,443	\$ 129,026
Total operating expenses	\$ 301,645	\$ 533,718
Operating income	\$ 194,613	\$ (23,665)

-continued-

TOWN OF VIDALIA, LOUISIANA

ENTERPRISE FUNDS
UTILITY FUND

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES

YEARS ENDED JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<u>OFFICE</u>		
<u>Operating Revenues</u>		
Revenues	\$ -	\$ -
<u>Operating Expenses - Utility Office</u>		
Personal services		
Salaries and wages	\$ 131,644	\$ 132,557
Employee benefits	50,359	49,974
Total personal services	<u>\$ 182,003</u>	<u>\$ 182,531</u>
Materials and supplies		
Operating supplies	\$ 768	\$ 2,112
Total materials and supplies	<u>\$ 768</u>	<u>\$ 2,112</u>
Depreciation	<u>\$ 24,635</u>	<u>\$ 38,670</u>
<u>Operating Expenses - City Hall</u>		
Personal services		
Salaries	\$ 252,962	\$ 251,143
Employee benefits	87,611	85,207
Total personal services	<u>\$ 340,573</u>	<u>\$ 336,350</u>
Materials and supplies		
Operating supplies	\$ -	\$ -
Total materials and supplies	<u>\$ -</u>	<u>\$ -</u>
Operating loss	<u>\$ (547,979)</u>	<u>\$ (559,663)</u>

See Independent Auditor's Report.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TOWN OF VIDALIA, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

Federal Grantor/ Pass-Through Grantor/ Program Title	Catalog of Federal Domestic Assistance Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>		
<u>Community Development Block Grants/States Program</u>		
Passed-through Louisiana Office of Community Development Wastewater System Improvement 2010 LCDBG#699682	14.228	\$ 421,365
Total U.S. Department of Housing and Urban Development		\$ 421,365
<u>Department of Commerce - Investments for Public Works and Economic Development Facilities</u>		
Assistance for Port Access Program	11.300	\$ 924,770
Total Department of Commerce		\$ 924,770
<u>U.S. Department of the Interior - Land and Water Conservation Fund Program</u>		
Passed-through Louisiana Office of State Parks William T. Polk City Park- #22-00921	15.916	\$ 250,000
Total U.S. Department of the Interior		\$ 250,000
<u>Department of Homeland Security - Federal Emergency Management Agency</u>		
<u>Disaster Grants - Public Assistance</u>		
Passed-through the State of Louisiana	97.036	\$ 650,302
Total Homeland Security Disaster Grant - FEMA		\$ 650,302
<u>Department of Homeland Security - Federal Emergency Management Agency</u>		
<u>Disaster Grants - Public Assistance</u>		
Assistance to Firefighters Grant Program	97.044	\$ 204,552
Total Homeland Security - Firefighter Grant FEMA		\$ 204,552
<u>U.S. Department of Agriculture, Rural Development</u>		
<u>Direct Program - Community Facilities Loans & Grants</u>		
RDA - loan	10.766	\$ 3,080,437
Total USDA		\$ 3,080,437
Total for all Federal Awards		\$ 5,531,426

NOTES TO THIS SCHEDULE

1. This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the general purpose financial statements.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

TOWN OF VIDALIA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

SECTION 1: SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- | | |
|---|-------------|
| 1. Type of auditor's report issued on the basic financial statements: | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | Yes |
| b. Significant deficiencies identified that are not considered to be material weaknesses? | No |
| 3. Material noncompliance relating to the basic financial statements? | Yes |

Federal Awards:

- | | |
|--|----------------|
| 4. Type of auditor's report issued on compliance for major federal programs: | Unqualified |
| 5. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 6. Any audit finding(s) reported as required by section __.510(a) of OMB Circular A-133? | No |
| 7. Federal programs identified as major programs: | |
| a. U.S. Department of Homeland Security
CFDA# 97.044 FEMA | |
| b. U.S. Department of Housing and Urban Development
CFDA# 14.228 CDBG Wastewater System Improvements | |
| c. U.S. Department of the Interior
CFDA# 15.916 Polk Park Project | |
| d. U.S. Department of Commerce-Investments for Economic Development Facilities
CFDA# 11.300 Port Access Program | |
| e. U.S. Department of Agriculture, Rural Development
CFDA# 10.766 Community Facilities Loans & Grants | |
| 8. The dollar threshold used to distinguish between Type A and Type B programs: | \$300,000 |
| 9. Auditee qualified as a low-risk auditee? | No |
| 10. Prior fiscal year audit finding(s) and questioned cost relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings as discussed in Section __.315(b) of OMB Circular A-133? | Not applicable |

REPORTS ON INTERNAL CONTROLS AND COMPLIANCE



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**REPORT ON INTERNAL CONTROL OVER
 FINANCIAL REPORTING AND ON COMPLIANCE
 AND OTHER MATTERS BASED ON AN AUDIT OF
 THE FINANCIAL STATEMENTS
 PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS**

The Honorable Hiram Copeland, Mayor
 and Members of the Board of Aldermen
 Town of Vidalia
 Vidalia, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Vidalia, Louisiana, as of and for the year ended June 30, 2012, which collectively comprise the Town of Vidalia, Louisiana's basic financial statements, and have issued our report thereon dated March 15, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Town of Vidalia, Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Vidalia, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Vidalia, Louisiana's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control described in the accompanying schedule of findings as items 2012-8 through 2012-11 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Vidalia, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as Items 2012-1 through 2012-7.

The Town of Vidalia, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the Town of Vidalia, Louisiana's response and accordingly, we express no opinion on it.

This report is intended for the information of the Mayor, Town Aldermen, Management of the Town of Vidalia, Louisiana, the Legislative Auditor of the State of Louisiana, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silas Simmons, LLP

Natchez, Mississippi
March 15, 2013



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**INDEPENDENT AUDITOR'S REPORT
 ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A
 DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM
 AND ON INTERNAL CONTROL OVER COMPLIANCE
 IN ACCORDANCE WITH OMB CIRCULAR A-133**

Mayor and Board of Aldermen
 Town of Vidalia, Louisiana

Compliance

We have audited the compliance of the Town of Vidalia, Louisiana, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The Town of Vidalia's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Town of Vidalia's management. Our responsibility is to express an opinion on the Town of Vidalia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Vidalia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Vidalia's compliance with those requirements.

In our opinion, Town of Vidalia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the Town of Vidalia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Vidalia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Vidalia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Town's management, others within the entity, entities with accreditation overview, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Silas Simons, LLP

Natchez, Mississippi
March 15, 2013

SCHEDULE OF FINDINGS

TOWN OF VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Section I – Internal Control and Compliance Material to the Financial Statements				
2012-1	<p><u>Finding</u> The Town of Vidalia's Hydro Royalty Fund's expenditures exceeded its budgeted amount by 15%. The budgeted amount of expenditures was \$10,000,000 and the actual expenditures were \$11,473,180. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.</p> <p><u>Recommendation</u> We recommend the Town comply with Louisiana Revised Statute 39:1311 and have expenditures within 5% of the budgeted amount.</p>	The Town of Vidalia will closely monitor the expenditures during the year so that expenditures do not exceed the budget by more than 5%.	Vicki Byrnes Town Clerk	June 30, 2013
2012-2	<p><u>Finding</u> The Town of Vidalia's Ambulance Fund's expenditures exceeded its budgeted amount by 27%. The budgeted amount of expenditures was \$477,500 and the actual expenditures were \$606,814. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.</p> <p><u>Recommendation</u> We recommend the Town comply with Louisiana Revised Statute 39:1311 and have expenditures within 5% of the budgeted amount.</p>	The Town of Vidalia will closely monitor the expenditures during the year so that expenditures do not exceed the budget by more than 5%.	Vicki Byrnes Town Clerk	June 30, 2013

TOWN OF VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Section I – Internal Control and Compliance Material to the Financial Statements (continued)				
2012-3	<p><u>Finding</u> The Town of Vidalia's Town Court Fund's expenditures exceeded its budgeted amount by 31%. The budgeted amount of expenditures was \$145,000 and the actual expenditures were \$190,657. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.</p> <p><u>Recommendation</u> We recommend the Town comply with Louisiana Revised Statute 39:1311 and have expenditures within 5% of the budgeted amount.</p>	The Town of Vidalia will closely monitor the expenditures during the year so that expenditures do not exceed the budget by more than 5%.	Vicki Byrnes Town Clerk	June 30, 2013
2012-4	<p><u>Finding</u> The Town of Vidalia's Roadway Improvement Fund's expenditures exceeded its budgeted amount by 100%. The budgeted amount of expenditures was \$0 and the actual expenditures were \$1,096,536. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.</p> <p><u>Recommendation</u> We recommend the Town comply with Louisiana Revised Statute 39:1311 and have expenditures within 5% of the budgeted amount.</p>	The Town of Vidalia will closely monitor the expenditures during the year so that expenditures do not exceed the budget by more than 5%.	Vicki Byrnes Town Clerk	June 30, 2013

TOWN OF VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Section I – Internal Control and Compliance Material to the Financial Statements (continued)				
2012-5	<p><u>Finding</u> The Town of Vidalia's Polk Park Fund's expenditures exceeded its budgeted amount by 100%. The budgeted amount of expenditures was \$0, and the actual expenditures were \$471,196. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.</p> <p><u>Recommendation</u> We recommend the Town comply with Louisiana Revised Statute 39:1311 and have expenditures within 5% of the budgeted amount.</p>	The Town of Vidalia will closely monitor the expenditures during the year so that expenditures do not exceed the budget by more than 5%.	Vicki Byrnes Town Clerk	June 30, 2013
2012-6	<p><u>Finding</u> The Town's Utility Fund had insufficient funds to cover the customer deposits. The deposits were under-funded by \$94,914.</p> <p><u>Recommendation</u> We recommend that the Town restore the restricted cash balance and monitor the balances to insure customer deposits are fully funded.</p>	The Town of Vidalia will closely monitor the funding coverage during the year to determine if internal loans or transfers are required to ensure that the restricted cash balance exceeds the customer deposit obligation.	Vicki Byrnes Town Clerk	June 30, 2013

TOWN OF VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Section I - Internal Control and Compliance Material to the Financial Statements (continued)				
2012-7	<p><u>Finding</u> The Town's audited financial statements were not completed and submitted to the Legislative Auditor's office by the statutory date of December 31, 2012. The Town was unable to compile complete and accurate records in time to be delivered by the statutory deadline.</p> <p><u>Recommendation</u> We recommend the Town have the books and records available to the auditors in time to file by the December 31, 2012 statutory deadline.</p>	<p>The Town of Vidalia was unable to get the books to the external auditors in time for them to complete the audit due to the departure of the Town manager during the year, which left the Town without a permanent replacement. The Town hired an interim manager and has recently hired a full time replacement. An extension under LA R.S. - 39:72.1 was properly filed and approved.</p>	Vicki Byrnes Town Clerk	June 30, 2013
2012-8	<p><u>Finding</u> The Town does not have an effective mechanism or process in place to reconcile additions, roll forward balances and to ensure the accurate reporting of fixed assets in the annual financial statements.</p>	<p>The Town of Vidalia has already hired a new Town manager to help with the implementation of these recommendations as soon as possible.</p>	Vicki Byrnes Town Clerk	June 30, 2013

TOWN OF VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Section I – Internal Control and Compliance Material to the Financial Statements (continued)				
2012-8	<u>Recommendation</u> We recommend that the Town perform an inventory of the Town's fixed assets. The Town should also evaluate its current fixed asset software. If it is determined to be inadequate, we recommend that the Town acquire a new fixed asset program more suited to the Town's needs.			
2012-9	<u>Finding</u> The Board has been unable to properly oversee the operations of the Town due to the absence of timely and accurate financial reporting by management.	The Town of Vidalia has already hired a new Town manager to help with the implementation of these recommendations as soon as possible.	Vicki Byrnes Town Clerk	June 30, 2013
	<u>Recommendation</u> We recommend that the Board be given monthly financial reports and that, at a minimum, this should include monthly budget comparison reports.			
2012-10	<u>Finding</u> During our audit, we noted that numerous invoices were paid more than one time.	The new Town manager will review and correct controls accordingly.	Vicki Byrnes Town Clerk	June 30, 2013
	<u>Recommendation</u> We recommend that the Town review and revise its controls over payables to insure that invoices are paid only once.			

TOWN OF VIDALIA, LOUISIANA
CURRENT YEAR FINDINGS AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
Section I - Internal Control and Compliance Material to the Financial Statements (continued)				
2012-11	<p><u>Finding</u> During our audit, we noted various errors in the reconciliations of the bank accounts. This appears to be partially due to a lack of supervision and review by the Town manager.</p> <p><u>Recommendation</u> We recommend that all bank accounts be reconciled and reviewed in a timely manner and that errors, if any, be corrected immediately.</p>	The new Town manager will implement controls accordingly.	Vicki Byrnes Town Clerk	June 30, 2013
Section II - Internal Control and Compliance Material to Federal Awards				
Not applicable.				
Section III - Management Letter				
No management letter issued.				
The Town concurs with the aforementioned findings.				

TOWN OF VIDALIA, LOUISIANA
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Action/Partial Corrective Action Taken</u>
Section I – Internal Control and Compliance Material to the Financial Statements:				
2011-1	June 30, 2011	The Town of Vidalia's Hydro Royalty Fund's expenditures exceeded its budgeted amount by 13%. The budgeted amount of expenditures was \$10,500,000 and the actual expenditures were \$11,826,450. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	No	This finding continues as finding 2012-1.
2011-2	June 30, 2011	The Town of Vidalia's Hotel Occupancy Fund's expenditures exceeded its budgeted amount by 100%. The budgeted amount of expenditures was \$0 and the actual expenditures were \$6,186. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.
2011-3	June 30, 2011	The Town of Vidalia's Town Court Fund's expenditures exceeded its budgeted amount by 200%. The budgeted amount of expenditures was \$105,000 and the actual expenditures were \$332,471. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	No	This finding continues as finding 2012-3.
2011-4	June 30, 2011	The Town of Vidalia's Sales Tax Bonds Sinking Fund's expenditures exceeded its budgeted amount by 65%. The budgeted amount of expenditures was \$315,000 and the actual expenditures were \$520,720. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.

TOWN OF VIDALIA, LOUISIANA
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Action/Partial Corrective Action Taken</u>
Section I – Internal Control and Compliance Material to the Financial Statements: (continued)				
2011-5	June 30, 2011	The Town of Vidalia's Municipal Bldg Fund's expenditures exceeded its budgeted amount by 29%. The budgeted amount of expenditures was \$3,040,000 and the actual expenditures were \$3,934,147. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.
2011-6	June 30, 2011	The Town of Vidalia's Industrial Park Fund's expenditures exceeded its budgeted amount by 37%. The budgeted amount of expenditures was \$156,000 and the actual expenditures were \$213,909. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.
2011-7	June 30, 2011	The Town of Vidalia's LHFA Fund's expenditures exceeded its budgeted amount by 26%. The budgeted amount of expenditures was \$260,000 and the actual expenditures were \$328,452. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.
2011-8	June 30, 2011	The Town's audited financial statements were not completed and submitted to the Legislative Auditor's office by the statutory due date of December 31, 2011. The Town was unable to compile complete and accurate records in time to be delivered by the statutory deadline.	No	This finding continues as finding 2012-7.

TOWN OF VIDALIA, LOUISIANA
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Action/Partial Corrective Action Taken</u>
Section I – Internal Control and Compliance Material to the Financial Statements:				
2010-1	June 30, 2010	The Town of Vidalia's Hydro Royalty Fund's expenditures exceeded its budgeted amount by 10%. The budgeted amount of expenditures was \$13,100,000 and the actual expenditures were \$14,390,180. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	No	This finding continues as finding 2012-1.
2010-3	June 30, 2010	The Town of Vidalia's Town Court Fund's expenditures exceeded its budgeted amount by 28%. The budgeted amount of expenditures was \$105,000 and the actual expenditures were \$134,676. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	No	This finding continues as finding 2012-3.
2010-4	June 30, 2010	The Town of Vidalia's Sales Tax Bonds Sinking Fund's expenditures exceeded its budgeted amount by 247%. The budgeted amount of expenditures was \$709,357 and the actual expenditures were \$2,464,130. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.
2010-5	June 30, 2010	The Town of Vidalia's Industrial Park Fund's expenditures exceeded its budgeted amount by 171%. The budgeted amount of expenditures was \$165,250 and the actual expenditures were \$447,871. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.

TOWN OF VIDALIA, LOUISIANA
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

<u>Reference No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Action/Partial Corrective Action Taken</u>
Section I - Internal Control and Compliance Material to the Financial Statements:				
2009-3	June 30, 2009	The Town of Vidalia's Industrial Park Fund's expenditures exceeded its budgeted amount by 218%. The budgeted amount of expenditures was \$110,000 and the actual expenditures were \$349,821. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	Yes	The fund was under budget in 2012.
2009-4	June 30, 2009	The Town of Vidalia's Town Court Fund's expenditures exceeded its budgeted amount by 18%. The budgeted amount of expenditures was \$105,000 and the actual expenditures were \$126,614. Louisiana Revised Statute 39:1311 requires that the expenditures not exceed the budget by more than 5%.	No	This finding continues as finding 2012-3.